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13	Sacramento, California 95814
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15	Wednesday, May 29, 1996 at 10:05 a.m.
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20	REPORTED BY: SUSAN PORTALE, CSR NO. 4095, RPR, CM
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1	COUNCIL MEMBERS:
2	MICHAEL MADIGAN, Chairman, California Water
3	Commission
4	LESTER SNOW, Executive Director
5	ERIC HASSELTINE, Contra Costa Council
6	STEVE HALL, Association of California Water
7	Agencies
8	JACK FOLEY, Metropolitan Water District of
9	Southern California
10	ALEX HILDEBRAND, South Delta Water Agency
11	TOM MADDOCK, California Chamber of Commerce
12	BOB RAAB, Save San Francisco Bay Association
13	RICHARD IZMIRIAN, California Sportfishing
14	Protection Alliance
15	DON BRANSFORD, Glenn-Colusa Irrigation District
16	ROGER STRELOW, Beveridge & Diamond
17	ROSEMARY KAMEI, Santa Clara Valley Water
18	District
19	DAVID GUY, California Farm Bureau Federation
20	TOM GRAFF, Environmental Defense Fund
21	JUDITH REDMOND, Community Alliance with Family
22	Farmers
23	ROGER THOMAS, Golden Gate Fishermen's
24	Association
25	HARRISON (HAP) DUNNING, Bay Institute

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1	COUNCIL MEMBERS: (cont'd)
2	ROBERTA BORGONOVO, League of Women Voters
3	LELAND LEHMAN, California Waterfowl Association
4	TIB BELZA, Northern California Water Association
5	MARY SELKIRK, East Bay Municipal Utility
6	District
7	ROGER PATTERSON, Designated Federal Official -
8	Bureau of Reclamation
9	MIKE STEARNS, San Luis Delta Mendota Water
10	Authority
11	MARCIA SABLAN, City of Firebaugh
12	ANN NOTTOFF, Natural Resources Defense Council
13	MICHAEL MANTELL, Designated State Official - The
14	Resources Agency
15	PAT McCARTY, Delta Protection Agency
16	PIETRO PARRAVANO, Pacific Coast Federation of
17	Fishermen's Association
18	MIKE McDONALD, Northern California Power Agency
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(All parties present, the following proceedings were had at 10:10 a.m.:)

CHAIRMAN MADIGAN: Good morning. Welcome.

This is the regularly scheduled meeting of the Bay-Delta Advisory Council, Wednesday, May 29th, 1996.

It's nice to see all of you here. We have a big day ahead of us. A lot of information that we're going to be giving this morning and quite a bit of discussion this afternoon so it's important that we get underway and move along as quickly as we can.

Roger Patterson isn't able to be with us today and David Cottingham (phonetic) is here somewhere -- yes, in the back (indicating), I see him, representing the Department of the Interior.

We thank David for being able to get out of here and join us.

Several housekeeping items that I'd like to go through with the members of the BDAC before we get underway on the regular Agenda.

Most of you have received the material in the mail last week for this meeting.

If you haven't or if members of the general public haven't, that information is available to you out at the registration table, which you walked past on the way

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in.

BDAC MEETING

Lunch will again be served to members of the BDAC and for those of you who are not members, obviously there are restaurants nearby.

We'll make a point of letting you know when we expect to reconvene so that you can be back here and not miss any of the excitement.

For those of you in the audience who wish to discuss an individual item as it comes up, we would encourage that. I would ask you to fill out a card so that we have your name on file and the proper spelling and things like that as we are taking a record of this event.

We would ask you to limit your remarks to the extent possible because we do have a full Agenda today, but we do want to hear from you.

There will also be at the end of this meeting an opportunity for public comment on matters of general interest to the BDAC, and we would encourage you to take advantage of that opportunity as well and again I would ask you to fill out a card before lunch if it's your desire to speak in that general public comment period so that we have a record of it and to limit your remarks to three to five minutes. And that would be most appreciated.

The next BDAC Meeting is scheduled for July 19th. It will again be here at the convention center.

Page 6

The meeting after that, apparently, will be in September and I do not have either a date or a location for that meeting at this point.

Within the next couple of weeks it's Lester's

intention to get to you a schedule for the next year and Lester notes that he understands that the schedule has been a bit erratic and that getting the information to us all has been a little bit erratic as well, but that's obviously because we're, as the current phrase goes, a work in progress here and it's important that BDAC meetings be timed with the CalFed meetings so that we have product for consideration at these meetings.

Finally, for those of you on the BDAC, as usual, your comments in writing are most appreciated as well as your participation at these meetings, and it helps a great deal if you have the opportunity to take the time to document your concerns to all of us.

All right. Having said that, we'll move on to the overview process.

And, Lester, that item is yours.

EXECUTIVE DIRECTOR SNOW: I want to start with some basics here, but even before I get into that I think just a few general comments.

One, as you will see today as we hope to present to you we got a lot of information and interest out

of our scoping process.

Some of the comments we got indicated that they don't think we are doing a very good job, that we need to make improvements, but I guess the point that I want to make is we have an awful lot of people in the State of California that want to see this program succeed and it took an lot of time to come to meetings and prepare comments and it took an awful lot of time for us to figure out how to do that.

In my mind the failure of a program is when people don't bother showing up to tell you whether you're doing right or wrong and we're not there. We've got both happening. A lot of people are there to tell us we are doing something right and something wrong and in my mind that's a very healthy sign particularly at this point in our program and one of the things that we want to do is share that with you today, too.

We have not finished a complete analysis of everything that we got in but we think we are starting to see some trends and patterns that we are already starting to incorporate into the program.

There is actually a lot of things that we wanted to accomplish today, some things that relate to promises we made to you at the last meeting about talking about components and both the pros and cons of the

Page 8

components. Some people understand how they work a little
better and what the problems and advantages are of the
different components.

Also we indicated we wanted to summarize scoping and basically start to show you perhaps the best word is the trend on where we think we are headed with the alternatives as we move to Phase II alternatives to get into the analysis process.

So we want to do that.

And of course the purpose of that is leading to what we hope to be a draft Phase II list of alternatives at our July 19th meeting and then move on from there into Phase II.

One of the things I want to remind people of, and I think we all have lost sight of this at different points in the process, including myself, the purpose of Phase 1 is to simply get agreement on the alternatives that deserve detailed analysis to see if they solve all the problems that we've identified and all the objectives that we have set.

It is not anointing preferred alternatives. It's to come up with a reasonable range of alternatives that need the more detailed analysis as we move forward.

And, of course, a lot of the comments were more along the lines of comments that you would expect in Phase

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II. People concerned that a specific alternative was being anointed as a preferred alternative and getting into a lot of modeling types of questions but those two were quite useful to us.

I guess what I'd like to do is kind of start with some basics to put this all in the context of the process that we've been through to date and actually lead to some kind of bottom line issues where we think we are headed and then we'll move back into a summary of the comments we received in our evaluations solution principles and on to a discussion of components. But I want to make sure you understand where these things fit into the overall picture.

Okay. Who can tell me how many phases we have in our program?

That's right, three phases.

That's pretty fuzzy (indicating), isn't it?

MS. GROSS: Only the top is fuzzy. CHAIRMAN MADIGAN: Lester, I understand

20 that the latest scientific breakthrough is fuzzy logic,

anyway, and in reading your last report I thought there was 21

a great deal of fuzzy logic in it and I'm 22

23 impressed ---

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24 MR. SNOW: You may be surprised that I'm

25 getting a degree in that.

Page 10

CHAIRMAN MADIGAN: Yeah, you picked it up so quickly.

EXECUTIVE DIRECTOR SNOW: I just thought of a good comeback but, no, I'll let you ride.

Just to remind people about the three phase program and what we are up to, in Phase 1 we wanted to get agreement on what the problem is, what the actions are that we have to address those problems, set out specific objectives, start forming them into alternatives, and eventually get agreement on the list of alternatives that we are going to evaluate in the EIR/EIS process and that is Phase II.

And so it's in Phase II that we start doing the modeling and analytical work necessary to start looking at the pros and cons of different packages of actions or alternatives and end up ideally at the end of Phase II with a preferred alternative and then Phase III is the permitting and implementation process. And so we are right at the final stages of Phase 1.

The famous six step process, we could not afford a 12 step program. We could only do six step, and, again, we are at the final step, of evaluating and refining the alternatives and trying to get agreement on what the reasonable set of alternatives are that address all of the problems in the Bay-Delta system.

Page 1

We talked basically at the last meeting about 1 2 taking the ten alternatives that we developed, A through J, 3 and we held a Workshop. We got Bay-Delta Advisory Council 4 input.

5 We proceeded with an evaluation of solution 6 principles and program objectives, and approaching the -- I 7 mean we are really kind of in this interface of approaching 8 the stage of redefining, combining, eliminating, to form a 9 short list, which will be a Major subject of Workshop 7 on June 25th, and then we will bring the results of that back 10 11 to BDAC, hopefully, in your July packet will be a draft of 12 the Phase 1 completion report.

Again, just another way of looking in a fuzzy manner at the process --

15 CHAIRMAN MADIGAN: This is going to work, 16

isn't it?

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17 EXECUTIVE DIRECTOR SNOW: Yeah, it works 18 for me today.

We set off -- some of you even, remember, I know you tried to erase it from your mind, 32 starting points that we generated and I still have that Nova chart and there will be autographed copies later.

And then we moved from there to developing basically a hundred, you'd almost call them pieces of alternatives. In our process we labeled them preliminary

Page 12

alternatives but they really were not complete.

We look at them in terms of mission, the solution principles, performance measures and we ended up generating that set of 20 alternatives to comment further refinement based on solution principles and we ended up with the ten refined alternatives.

Probably the most significant thing that happened after the ten different processes was the intensive scoping process. So we looked at solution principles. We took a lot of comments from people and we're in that phase now of moving to the Phase II alternatives.

Now, I want to kind of jump ahead a little bit but I think it will help clarify things.

You don't need to understand this. This is a matrices -- here, pick your favorite alternative.

This is a copy of the matrix that was in the Workshop 6 packet. You've seen this in a couple different forms.

One of the comments that we had been getting for, well, over two months, I guess I'd say two-and-a-half, three months, and then we really got intensely in scoping was that in a lot of cases it just didn't make sense to people to have modest pollutant source control when you had sufficient programs to achieve extensive, and so we got

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those kind of comments with respect to water quality and 1 ecosystem and system vulnerability. People say "Why do you 2 3 have these varied levels?"

And basically the way the comment went was you need to develop an effective water quality program, one that achieves what you want to achieve and then have it common to all of the objectives.

And those kind of comments hit these four areas (indicating); demand management, Water Quality, ecosystem quality and system vulnerability, and so we received a lot of comments and a lot of indications from our own solution principle analysis that it did not really make a lot of sense to have varied levels of implementation in these particular areas.

If you have a methodology and a program that achieves good system vulnerability, then why do less than that?

17 18 Why have different levels of ecosystem quality? And so that has led us to identify a common 19 20 program, and I would note it leaves behind the basic issues 21 of conveyance and storage in the alternatives.

So just another way of looking at that, those basic components summarized a little differently, all get pulled together into a basic common program, that then would be common to all of the alternatives that move

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Page 15 project, we are making a decision about yes or no on a

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2 reservoir, when we look at a program it's dealing with very

complex issues, like on Water Quality there is many sources 3 of pollutants and pollutant runoff so you have to have a 4

complex program to deal with that. There may be literally 5

thousands of actions that deal with the issue. 6 7 You probably want to identify priority implementation, go after the worst sources of the toxics 8 9 first.

You probably want to look at staged or adaptive implementation, and you want to have a program that monitors and adjusts what you're doing in that program.

And so those seem to be some general characteristics of the program when we start looking at a common program approach.

So this is what -- okay. So this is kind of what this could kind of end up looking like and that is what we want to talk about today, the pieces of it, but I think this framework is necessary to understand how we're responding to a lot of the different comments that we received and how we're headed to Phase II.

What this means is that basically all of the alternatives have this common program and there needs to be additional work done in defining the exact details of it but this cuts across all alternatives.

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And when you do it this way, you end up adding the core actions into this.

Because what happens is once you have identified them as common programs, then core ends up being simply the first level of implementation for your common program.

One thing I think I want to stress when I talk about this is we've talked with people about this concept, there is two immediate reactions that people have.

One is if you are going to have a common program, you are going to do the lowest level of implementation and actually it's probably the reverse that's true. The kind of comments that we got basically said if you can achieve a high level of Water Quality then that's what you need to do and so that's where we are headed with this program.

The second was a recognition that some of these things will need to be adjusted to fit the storage and conveyance decisions that you make, but the point is that you are not adjusting the overall performance. You are not adjusting the basic approach of that program. You are simply adjusting it so it works better with the conveyance and storage decision that you make.

Now, when we talk about program versus a

You then end up with two basic variable 1

components, the conveyance component and the storage 2

3 component and just pulling from our alternatives without

4 judging this much at this point you end up with a

5 conveyance alternative that is related to the existing

system, relying basically on existing diversions and 6

7 existing channels in the system, making modifications to a

8 through-Delta conveyance system, having a large scale

9 isolation for conveyance of the water in the system and

10 then having a dual system which is really a small isolation

11 and through-Delta modifications.

> And then basically in each of these approaches you will evaluate appropriate levels of storage upstream of the Delta, downstream of the Delta, in-Delta and you would match that up as appropriate with each of those approaches.

> So this is an appropriate matrix or concept to keep in mind as you kind of hear about the comments we've received and as we talk about the basic components.

There will be one last item to talk about, you know, assuming we can make this decision on the Phase II alternatives. There really are three processes going on at the same time as we move forward in Phase II.

You have the formal NEPA/CEQA compliance going on. You have a process that we call component refinement constantly adding more details to the components, and then

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you have a third process that we have not talked about a great deal and that's implementation strategy. 2

That consists of the assurances and guarantees, institutional modifications and all of the financial issues.

And so those are all on a parallel path such that when you get down to a preferred alternative you have also developed the institutional structure, the guarantees and the financial structure to implement.

You also have continued to refine the details of the components that comprise the alternative.

I think at this point I'm going to put this back up (indicating) and simply ask if there is any basic questions about this, although recognizing we are going to get into this kind of issue in a good deal more detail later today.

17 CHAIRMAN MADIGAN: Tom and then Alex. 18 MR. GRAFF: You said something that's 19 going to give me some comfort in the way this is 20 structured.

My way of the way this ultimately will come out is that as you move to decisions on variable components that are more threatening to -- potentially threatening to Bay-Delta interests, at least as historically defined, there will be a desire on their part in the assurances

program. I mean, I think there can be other kinds of 1 2 assurances, that you can protect the outflow and you can 3 provide water through transfers and I think there are other 4 kinds of mechanisms where you can rely on the market to

5 meet water needs and those are some of the issues that we need to work our way through. 6

Maybe -- I mean, given your question --

8 CHAIRMAN MADIGAN: Anybody else noticing the (indicating)?

10 A SPECTATOR: Fuzzy lights? 11 CHAIRMAN MADIGAN: Fuzzy lighting, yeah, 12 okay. Thank you.

13 MR. SNOW: It's all orchestrated, Mike. 14 CHAIRMAN MADIGAN: Okay.

EXECUTIVE DIRECTOR SNOW: One other thing I was going to mention and this is just kind of an issue to apprise BDAC of something we have under consideration, as we look at our solution principle analysis, it seems pretty clear even though we haven't wrapped it up, that these things, the common programs, of course, but these variables are all headed into Phase II.

We didn't get anything out of scoping. We didn't get anything out of our solution principle analysis that would indicate anything other than that, that existing system modification through-Delta dual system and different

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category to adjust things that you have as common program.

So, for example, if you go to an isolated facility, there will be a demand for a very rigorous water use efficiency program, probably more rigorous than would be agreed to as a common program.

Where in this mix do you allow for that? MR. SNOW: Perhaps where we are headed would not allow for it in the magnitude that I think you are implying.

I mean, we hope to define, like in the water use efficiency program, which we'll be discussing later today, you know, the best program that we can achieve regardless of which conveyance component is selected.

It occurs to me, you might make some adjustments to it, but I don't think where we are headed right now in this common program approach that, for example, this alternative over here (indicating) would require two million acre feet more conservation than this alternative would, if that's what you were suggesting. MR. GRAFF: Well, when you get to

21 assurances, what kind of assurances do you have in mind if 22 they aren't in terms of total water being exported? 23

EXECUTIVE DIRECTOR SNOW: Oh, I think 24 there can be that kind of assurances but that does not necessarily mean that's in your water use efficiency 25

storage issues.

2 What we still have under consideration is full 3 isolation. What I mean by that is isolation of sufficient 4 size that you can abandon the common pool, and if you 5 looked at any of our comments you noticed that common pool 6 is a big issue in the Delta.

That has solution principle problems that we are continuing to evaluate.

The very large west side has solution principle problems as well as the foothills facilities.

So I mention this as just kind of a heads up that these issues as we continue to evaluate may or may not head to the Phase II process.

And the reason I brought that up now is that after Tom's comment is that this issue relates to the issue of the common pool and has some significant impacts on that.

CHAIRMAN MADIGAN: Alex.

MR. HILDEBRAND: I agree with your general approach here, but I think, for example, on the through-Delta initially you have to have some alternatives because there are various scales to what you might do --MR. SNOW: Right, MR. HILDEBRAND: -- through-Delta so I

don't think you can leap all in one jump to have the aid to

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Delta. I think you have to look at several alternatives that may differ quite a bit. 2 You might, for example, have an isolated 3

facility from the Sacramento River to the Central Delta but they still retain a common pool and they are going beyond that. Alternatively you might not do that or you might

have several connections from the Sacramento system to the 7 8 Central Valley.

I don't think we are ready to make that kind of a choice yet among the ways of achieving the through-Delta. So I just caution let's not leap to three things all in one jump here. We've got to think of several alternatives.

EXECUTIVE DIRECTOR SNOW: If I could repeat because I think some people could not hear --CHAIRMAN MADIGAN: Yeah, be sure we use our microphones when we ask these questions.

Thanks.

different strategies.

EXECUTIVE DIRECTOR SNOW: Alex's comment was basically an observation that this looks like this is one alternative, this is one and you know exactly where it is but in reality when you look at a through-Delta approach you will have to look at different configurations and

Some of that would be almost a sensitivity analysis, but, clearly, this isn't one thing and so when

which objectives, and they may on balance, on some sort of 1

2 scoring be roughly equivalent but they may have a different

3 pattern of the level of objectives and that's really what

we want to do in Phase II, is do the modeling so that we 4

can provide that kind of information on how these perform 5

because there is considerable interaction between them. 6 7

You know, the decisions that you make on storage and conveyance, in fact, do have an interrelationship or benefit or nulling effect, whichever, 10 in the common program and that needs to be drawn out in the modeling and analysis that we do.

So we think the issues that you raise are what we are going to deal with in Phase II.

CHAIRMAN MADIGAN: Roberta.

MS. BORGONOVO: several of us submitting comments about the area of system integrity and I note that on the chart on five you have levee integrity programs so we would hope that system integrity would be what you would be looking at in the common program and that you would look at subsidence along with all with levee stability.

EXECUTIVE DIRECTOR SNOW: Okay. That's a good point.

And one thing I'll say and Judy will reiterate this when she is talking about scoping comments is that by extending the scoping period we had to make an initial

Page 22

be looking at a range of through-Delta approaches and I think that's probably true in all of the categories. CHAIRMAN MADIGAN: Tom Maddock and then

you evaluate through-Delta modifications in Phase II you'll

Roberta. MR. MADDOCK: From an analysis standpoint

and a process standpoint is the objective here, Lester, then to look at the possible solutions; that is, the 8 9 through-Delta and dual system or something, all achieving 10 about the same level of improvement, let's say, in the core 11 action categories or will some do better than others and

how do you then factor in that differential where some are 12 13 better?

In other words, maybe some of those solutions would achieve a better ecosystem restoration than, say, Water Quality, for example, or water reliability so how from a process standpoint how do we get our hands around

18 the differences that each of these alternatives will

19 achieve?

20 EXECUTIVE DIRECTOR SNOW: Well, I think that that's basically what we want to try to accomplish in 21

22 Phase II. 23

I mean, we have in this program established a pretty complex set of objectives and no two alternatives will achieve kind of the same fingerprint as it were and

Page 24 summary of what we heard in scoping before we had all of

the letters in on the 20th and so we are still in the 2

3 process of digesting some of the significant comments and

actually extensive comments we got at the deadline on the 4 5 20th.

6 If there is nothing else -- and we will get 7 back to this -- this isn't the last chance to talk about 8 this by any means -- but I'd like to go ahead and go to the 9 scoping comments.

CHAIRMAN MADIGAN: Let me ask if there are any questions or comments from the audience at this point?

Ann, go ahead.

MS. NOTTOFF: I just had a question about the scoping comments and that is are those going to be reproduced for BDAC to see or are they going to be summarized? I guess, that's what you're going to talk about now?

EXECUTIVE DIRECTOR SNOW: Yes.

MS. NOTTOFF: Okay.

CHAIRMAN MADIGAN: All right. Go ahead,

21 Lester.

22 MS. KELLY: Okay. Well, what I'm going to 23 do is I'm going to take a few minutes this morning to kind of backfill in behind Lester's comments regarding what we 24

25 heard in scoping.

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I'm going to take you through a list of issues which we have ID'd identified through the scoping process as issues that we need to be -- considered as we move toward a final set of Phase 1 alternatives.

We did mail in your packet an earlier version 5 of this list and then what you have today is an updated 6 7 version based on a number of additional comments that we received through the end of scoping. Just to remind you, 8 the scoping process didn't actually officially end until 9 last Tuesday morning and we did receive, as is usual in 10 these processes, a large amount of material at the very end 11 of the scoping process. So we have spent a good deal of 12 time the last five to six days trying to digest that 13 material and put it into some semblance of order for you 14 folks to take a look at it and for us to start working 15 16 with.

As you can imagine, it was a challenge to boil down this material into a set of key issues, and it's likely that we haven't identified every key issue at this point that is included in the scoping comments, but we have spent a good deal of time and energy on this and I think we have a fair list for you to take a look at today.

I'd just emphasize Lester's earlier comment about the level of interest and support that we've had from many, many of you around the table and also from the public heard as part of the scoping process was that we needed to do a better job of expanding our watershed management actions and techniques as part of the core actions essential elements or however we reconfigure these alternatives.

Some will be right for the analysis of Phase

II, which of course is the environmental and documentation

So let me just start going through each of

revisions in their packet and there are copies available on

the back table for folks who are sitting in the audience.

these and each of the BDAC members does have a copy of the

One of the more significant comments that we

phase and others may recede as issues at all as the

alternatives themselves are refined.

In addition, it was several times iterated that we need to clarify the program's vision for ecosystem restoration.

We were asked to better define what it is that we are seeking to achieve, define goals and objectives better and the concept being that this would all kind of come into play in an ecosystem restoration plan in all of the alternatives which is what Lester has been referring to this morning.

We also need to more definitively address the Delta outflow issue, the critical Delta outflow issue and

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at large.

**BDAC MEETING** 

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We have received over 160 letters just since January of this year on this process, and that's just formal letters, you know. That doesn't include the faxes and the hundreds of comments that we received in public when we did our scoping meetings up and down the State.

So, again, we are really gratified at the level of response and interest in this program. We also want to stress that, as Ann just asked, we will be responding to the scoping comments.

We are not going to do that on an individual basis.

What I'll producing in the next month is a summary report and a response report of the full set of comments that we received and then an analysis of what the program's doing to respond to those comments, and those will be available as soon as we can produce them within the next month, I would say.

So what I want to do now is go through the expanded list of key issues.

These issues and suggestions will be closely considered as we moved forward through the end of Phase 1.

Some of these issues will need resolution before we even get to Phase II and that will become clear I think as we move through the overheads.

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instream flow issue and make that explicit what the needs are, how the program would address it, make that explicit as part of the ecosystem restoration plan.

There was several comments reminding us that ecosystem restoration requires changes in land use, and that we need to be cognizant of those changes and that we need to analyze the impact of those changes as we move through the Phase II analysis.

We also were -- it was suggested that we clarify the nonrestoration benefits of habitat and ecosystem restoration and there are some, there will be some, and we had better do a very good job of defining what they are and who will benefit, aside from the Fish and Wildlife as part of those actions. So we have heard those comments.

We had a number of comments on Water Quality, the most significant and oft repeated was we need to improve and augment Water Quality actions in all of the alternatives.

Also, each alternative should show explicitly how best source water will be obtained and a reminder that public health requirements really should be explicitly guiding our development of the alternatives. A reminder that we should not rely on the benefits of dilution as any kind of primary benefit to pollution reduction and the

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reminder that each alternative must also address salt and chemical recirculation. 2

Again, sort of the same theme, pollution reduction at the source should be a core action.

We were told that we should as a program address the San Joaquin drainage issue;

That we should be cognizant of the Water 8 Quality impacts of whatever facility alternatives are 9 coming out of Phase 1;

That, in fact, the common pool concept may affect Water Quality uses south of the Delta and that an isolated facility may affect in-Delta water users and that we should reject any alternative that degrades Delta Water Ouality.

We are reminded that transport of water through the Delta hampers urban water recycling. We were asked to address disinfectant by-products resulting from bromides.

We were also asked to provide the highest Water Quality for urban uses to facilitate compliance with future drinking water standards, which are, in fact, underway as part of the Clean Water Act regulations at Environmental Protection Agency.

And, also, that storage releases to meet Water Quality standards should not reduce transport of aquatic organisms so that when we are looking at the issues of

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storage, remember, that there are transport flows that need to be protected as part of any analysis.

We had, of course, a number of comments and issues that were raised on water supply, and there are a couple of general concerns that I'm going to go over.

Several times we received the comment that our alternatives do not appear to increase overall water supply.

They do not adequately show the opportunity to move, store and use additional water.

So that is a concern out there, and we'll need to address that as we move through the end of Phase 1.

We were told that we needed to address the 13 integrity of the common pool concept. Supporters feel that 14 redirection of flow through an isolate facility would 15 undermine the isolated pool concept and others are not 16 quite as fearful of some impacts to the common pool concept 17 but want ironclad assurances that those other benefits 19

19 would be retained. 20 We were also reminded that we need to consider

21 area of origin concerns during the review process. 22 Many comments on different conveyance

23 opportunities. 24 We were asked to show how an isolated facility could actually protect Delta Water Quality, asked to

24 25 25

1 describe regional flood control and all of the conveyance

2 options and analyze seismic vulnerability to each

3 conveyance option.

Discuss isolation of drinking water for dual 4 5 conveyance and water transfers and their potential impacts; also, discuss the need to free up Delta constraints before 6 7 storage can be effective.

We were asked to include a more aggressive implementation of water transfers in the essential and core elements and that drinking Water Quality should dictate the ratio of water transported through any isolated conveyance and through any improved in-Delta channels.

On storage itself we were asked to prioritize conjunctive use then groundwater banking and then any structures either offstream or otherwise.

We were asked to expand existing storage as a high priority and look into potential of raising dams, address the problem of groundwater overdraft in the southern San Joaquin Valley and ask that conjunctive use should be practiced -- reminded that conjunctive use should be practiced for local benefit rather than for statewide operations.

That was an opinion.

For water use efficiency we heard many times in many letters and in a variety of public forums that we

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needed to consider our land retirement elements;

2 That the current options that were presented in the ten alternatives would produce major redirected impacts;

And that we should rethink along a fallowing versus retirement line.

We also need to analyze third party impacts and to re-evaluate the proposed acreage of buy-out program.

That was probably the single most discussed or commented on aspect of the program.

Also, emphasize as a stronger theme and build into each alternative the concept of water use efficiency so there was broad support for the concept but some strong opinions that we needed to relook at certainly some of the land retirement numbers that we had included;

Distinguish long-term conservation versus shortage measures and preserve aspects of this for local implementation.

We were also asked to address on and off-site environmental impacts of land fallowing retirement and water transfers as part of Phase II and address water pricing more explicitly, possibly even include a per acre user fee as essential element for revenue sources and demand management measures.

System vulnerability, many comments asking us

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to enhance the levee stabilization program;

Also, to implement greater levee stabilization
in each alternative and include North Delta flood control
measures in each one. Roberta, this gets to your earlier
question. We were asked specifically to include
subsidence reversal as an integral component of each of the
alternatives and look into issue of converting Delta
islands which are vulnerable to levee failure to aquatic
and terrestrial habitat.

We also received a lot of very useful comments on a category that I have called institutional guarantees and assurances.

A lot of concern from people who were commenting on the program that somehow we need to consider guarantees for the ecosystem actions, that they will be effective, and recognizing that nobody on this program can be God and make sure that actions that you do in the ecosystem will bear total fruition, but there is a sense that we need to very clearly document what our objectives are and then seriously look at the best way to attain those objectives and to monitor for success.

Link components to ensure benefits to all users through implementation will occur in stages.

Recognizing that stages will be important to the phasing of these alternatives.

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There was an idea to create an independent entity, something like a Bay-Delta conservancy to support ecological restoration. Some other ideas Grant Bay ecosystem legally protected special status.

Continue current protection through existing water rights was a comment we heard often.

Honor water contracts was a comment that we also received several times. The idea of use a pay for what you get financing philosophy;

Improve current and legal regulatory framework that now complicates voluntary market based water transfers;

And an idea that we should use physical limits as a foundation for guarantees, that those are probably the best guarantees you can create;

Also, consider financing mechanisms such as surcharge and taxes to provide economic incentives to produce desired outcomes and behaviors.

We have some conclusion that are thematic to everything we are going to be talking about today out of this scoping process and you'll hear the rest of the staff talking about this as we move through the meeting today and some of those conclusions are that water use efficiency is strongly supported, that urban water suppliers desire the best possible source water.

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Delta levees needed to protect agriculture
infrastructure habitat no matter how the water is conveyed;
And modest and moderate ecosystem actions seem
inadequate, that what is really needed is a single
cosystem vision and a restoration plan.
And, again, these are the conclusions that

And, again, these are the conclusions that we'll be elaborating on as we move further through today's discussions and into the components and how we are specifically trying to address these many concerns and issues through the end of Phase 1.

Are there specific questions about the scoping comments?

CHAIRMAN MADIGAN: Questions?

Tom.

MR. MADDOCK: You mentioned several times in the discussion that there were quite a few comments about a specific item but in your summary that you just went through can you characterize was that -- I mean, were the comments that focused on those particular issues, were they 80 percent of the comments or ten percent of the comments or 51 percent or give us a characterization.

comments or 51 percent or give us a characterization.

MS. KELLY: I can't do it by percentage.

But I would say that for all the people -- well, not all the people -- I would say for 80 percent of the people who had a comment about water use efficiency even when they had

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1 a specific concern about some of the ways that we were

2 proposing to achieve it, there was still general support 3 for water use efficiency program above 50 percent, how is

4 that for a percentage, even when they had concerns about

5 the specifics.

The urban water suppliers spoke almost in unison on this particular issue of source water.

That came in from almost every urban water agency who commented on the program.

Everyone who comment on the Delta levees suggested that we need to do -- maybe not everyone -- 90 percent suggested that we need to do a better job of protecting the existing levees.

Many suggested that we go up all the way through the system to PO-99 standards. That was a common theme to some of those comments.

And there were consolidated comments from the environment tool community telling us clearly that we needed stronger ecosystem vision and better defined goals and that's part of the work plan now, the BDOC (sic) work plan. That's part of their Agenda to do just that.

So these conclusions really do express a strong sentiment that we heard from a variety of folks.

CHAIRMAN MADIGAN: Mary.

MS. SELKIRK: I had two questions.

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First of all, under the comments emerging 1 2 issues with record to conveyance, could you explain what you mean by -- that the CalFed must discuss the need to 3 4 free up Delta constraints? 5 What is that code for? 6 MR. YAEGER: I was going to try and 7 address that one. 8 CHAIRMAN MADIGAN: You're on. MR. YAEGER: Essentially I think what that 9 10 comment refers to is that there are existing both physical constraints within Delta channels, regulatory and 11 permitting constraints on diversion capabilities that are 12 set below physical capacities and diversion plants and so 13 14 forth. So the general comment that we need to deal with all those issues, both physical, regulatory, permitting 15 constraints, free up some of the flexibility that's there 16 in the system so that we can do a better job of both 17 18 managing the water system and managing the impacts on 19 fisheries. MS. SELKIRK: I just had one other 20 21 question. 22 Under the comments on storage one of the 23 comments was that conjunctive use should be practiced for local benefit rather than for statewide observations. 24

MS. NOTTOFF: Are they all in sync with 1 2 the other core elements, it seems to me. 3 MS. KELLY: Well, I guess one caveat is this is not -- the complete four bullets don't compromise 4 the total summary of conclusions from scoping that -- but 5 in this particular issue there was a great deal of 6 7 consensus around the particular question of potential for failure of Delta levees. 8 MS. NOTTOFF: Then I was just wondering if 9 you would address the concept of the common pool. 10 Under general water supply here, could you just 11 12 clarify the concept of the common pool? 13 MR. YAEGER: Let me try that one and maybe 14 Lester will want to jump in and add some comments, too. In general what people mean when they refer to 15 16 the common pool is that all diversions that take Delta 17 water, whether they be from the Delta or around the Delta or upstream of the Delta, that they ought to be there as 18 part of a common system so that the concerns are shared, 19 20 the benefits are shared, the impacts are shared. 21 EXECUTIVE DIRECTOR SNOW: Yeah, that's a 22 pretty good summary. I mean, just probably the person next 23 to you could state it more succinctly than anybody in the 24 room, but, I mean, it's just the idea of that when you have 25 25 million people that have something at stake in a

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obvious in some ways but if you could say a little bit about what was behind that specific concern. 2 3 MS. KELLY: I think was the same -- that 4 was generated from the same type of comment about area of 5 origin concerns, the concept that, you know, water development needs to benefit, you know, the local as first 6 7 maybe as opposed to moving somewhere else. 8 MR. YAEGER: And I think it had that 9 additional implication dealing with conjunctive use and 10 groundwater banking that many of the local districts were 11 expressing the concern that their groundwater aquifers need 12 to be utilized for local benefits first and if there is 13 additional benefits that can accrue from that, if the 14 guarantees are there, that that ought to take a second 15 priority to local use. 16 CHAIRMAN MADIGAN: Ann. 17 MS. NOTTOFF: Well, I noted in your

summary of the comments that rather than referring to

levees rather than the general system integrity and I

wondered how did you pick that specific part of the

system's integrity to focus on.

specific issue raised that one or --

MS. KELLY: Yeah.

system integrity it deals with levee, the specific issue of

Was it everybody who talked about this one

The same question. I mean, that's intuitively

particular geographic area, then you have greater reason to believe that all of the issues will be dealt with in that 2 area versus when a whole group of them do something 3 different and have nothing at stake any longer in that 4 5 area. 6 And that's perhaps the most political way to 7 put the issue of common pool. 8 There is a lot of resource issues there but 9 that's probably the political spin on what the common pool 10 means in terms of the Delta. 11 It has technical issues with respect to system 12 stability, even habitat issues as well as Water Quality 13 issues.

MS. NOTTOFF: Is that a concept against which the proposals for isolated facilities or whatever would be judged against the -- evaluated against the common pool concept? EXECUTIVE DIRECTOR SNOW: No. The common

our solution principles. It has to do with durability, equity and redirection of impacts.

And you can break the common pool concept down into its pieces, but what has been raised by quite a number of folks is that if you start splitting people out of the

pool has been raised as a concept that relates to some of

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1 common pool, then you raise questions of durability, will
2 certain parts of the program be implemented, you raise
3 questions of equity, Is everybody being treated fairly and
4 you raise questions of redirected impacts, does a certain
5 community get more impacts as a result of somebody moving
6 out of the common pool?
7 And so it's not an issue that we would evaluate

And so it's not an issue that we would evaluate alternatives against but it's a concept that has implications to solution principles.

MS. NOTTOFF: Thanks.

CHAIRMAN MADIGAN: Anybody else?

Okay. Steve, thank you.

Earlier Lester mentioned to you that, and reminded you, that this Phase 1 conceptual planning process is really all about trying to reach agreement on what set of alternatives or set of components we ought to take into Phase II to do the real hard modeling analysis on so that we can generate the kinds of information that is going to be needed to start looking at a preferred alternative.

As we indicated at the last BDAC Meeting, the way that we are proposing to try and produce the kind of information that would allow reaching that kind of agreement is to look at the alternatives, the ten alternatives that we had, to evaluate how well they performed against the solution principles, and then we were

We have, and we presented these before, I
believe, also, more definitive definitions of the solution
principles;

Reducing conflicts in the system means that the successive system will reduce major conflicts among the kind of four beneficial uses of water that we identified, the four resource areas;

Posing no significant redirected impacts, we are not going to solve the problem for one resource interest on the back of one of the other interests.

Affordability, we have defined as a solution will be one that can be implemented and maintained within the foreseeable resources of the program.

Equity is a principle that we found out from our scoping has kind of a -- there is a different view of equity among many of the stakeholders than you see on the other interest groups, but we've just defined it as being an equitable solution. We'll focus on resolving problems in the resource areas.

That is, improvements for some problem areas will not be addressed without addressing corresponding improvements in other problem areas.

Implementability means that an alternative will have broad public acceptance and legal feasibility will be timely.

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going to use kind of a reality check of the comments from the stakeholders that came in during the scoping comment process to see whether our analysis against the solution principles was being supported by the stakeholders out there.

So what I want to do is walk through, first of all, give you a little bit of a -- going to recap on the solution principles.

You've seen these, I think, several times in the BDAC packets.

We've talked about them a little bit but I wanted to recap the solution principles and we'll walk through some of the analysis we did looking at the alternatives against these principles and then compare it with some of the comments from the stakeholders.

And there were considerable comments, I think, from the stakeholders relating to how they saw the alternatives and the way that they were achieving these particular solution principles.

Again, the principles are to be a real alternative that would be moved forward into Phase II, that alternative has to reduce the conflicts in the system, has to be equitable, has to be affordable, durable, implementable, and it has to not pose significant redirected impacts.

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That is, it won't require 20, 30 years to implement, and it will be relatively simple in execution in comparison with other alternatives.

Durability is a principle that has turned out to be a very important principle.

As we see from many of the comments during scoping and in our own analysis, but durability we've defined as being a solution that has political and economic staying power; that will sustain the resources over time that it was designed to protect, and I think you'll see this issue arising with respect to things like hydrologic cycles, the variability there, does the alternative perform well against that variability, does it perform well against foreseeable sea level rises, seismic activity, those kinds of things.

When we were looking at the alternatives and their performance against the solution principles, the process we used was to develop a team of professionals off the program team and our agency team, which we call our program coordination team and have them take a look at each of the alternatives and the way that it performed in each one of these solution principle areas.

And you can see that there was -- that we incorporated a look at each one of these subprinciples within the definition of -- that we had provided in the

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solution principles. 1

So we worked through each one of the alternatives. We evaluated against each one of the principles in this matrix (indicating) and tried to evaluate how well each one of the solution principles did -- I'm sorry -- each one of the alternatives did against these principles.

In addition, once we completed that, then we took a look at the scoping comments that came in, those particularly that dealt with how the stakeholders felt that the alternatives were performing against the solution principles and tried to use that as a reality check and a confirmation of the analysis that we did with your team.

Now, admittedly, this was, again, a qualitative look at the alternatives.

The quantitative look is going to occur in Phase II when we get into additional modeling and analysis. Then we can start developing hard numbers that will display how well the alternatives do.

But I think this qualitative analysis has done a couple things for us and, that is, that it's kind of given us a look at, number one, how well the alternatives do against the solution principles, and it also has identified specific ways that we could modify the ten alternatives so that they perform better against the

with in-Delta Water Quality from Delta channels for ag 1

2 diversions in the Delta and this really points us to

3 needing to provide a higher level of in-Delta Water Quality

across the board in all of the alternatives and making sure

that the program for Water Quality incorporates that at a 5 6 high level.

As Judy indicated earlier the scoping comments indicated that we weren't putting enough emphasis on water supply and reliability.

Again, our analysis against solution principles showed that there was a problem there with equity and we weren't really paying enough attention to water supply and we needed to have a higher emphasis in all of the alternatives.

Water supply flexibility and durability was another issue that was pointed out by our analysis.

Again, it's this whole durability issue is your 18 water supply approach going to last over time as new fisheries problems crop up?

Is it going to last over time as sea level rises, as you experience seismic problems?

And so it really points us to really putting a lot of emphasis on that part of our water supply and reliability program.

In looking at our alternatives, also,

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alternatives.

These are some of the general conclusions.

We have a real detailed document that we produced from the analysis that goes step-by-step through each one of these and if anybody cares to see all of that detail, we can provide that to you.

But in general what our analysis pointed toward was that our alternatives needed to have a higher, more uniform level of Water Quality.

Again, that is confirmed by the scoping comments; in particular, the ones that indicated that, you know, if you can do a good job of providing Water Quality and it's cost effective you ought to set that as a target and move toward that and just use that as a uniform target across the board for all alternatives.

Our analysis also indicated that we needed to take the same approach in habitat restoration. There needed to be a higher target for restoration, and it needed to be uniform across the alternatives; that is, again, the view was you ought to do the best job you can in restoring habitat and enhancing it and you ought to move forward with 21 that immediately and across the board in all of the alternatives.

24 We also heard comments and our analysis also 25 proved out that there was some equity problems associated Page 48

especially Alternative A, which was the alternative that 2 emphasized heavily demand management, our analysis against

3 solution principles showed us that we needed to look

4 carefully at this issue of equity and redirected impacts in

5 relation especially to the ag land retirement that was

6 proposed in that alternative.

So what that leads us to is a conclusion that, 8 well, we need to have water use efficiency in every 9 alternative. We need to implement that in ways that 10 reduces the impacts for both agriculture and urban water 11 from the standpoint of the urban conservation issues that 12 we included in our demand management.

MS. BORGONOVO: I have a question.

When you looked at higher level of water supply and reliability, did you intend that to be all three sectors, ag, urban and environment?

MR. YAEGER: Yes, we did. We looked at it across the board in evaluating that from an equity standpoint.

The final conclusion we had was that we really needed a --

22 CHAIRMAN MADIGAN: Hang on Steve, Steve, 23 hang on, Mary.

24 MS. SELKIRK: I have a question on number 25 six -- not number six, I have it numbered number six -- but

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a comment on your last point about reducing impacts with regard to water use efficiency. Could you say a little bit more about that?

Because it's not clear to me what you are getting at with that.

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Obviously, implementing any kind of best management practices is going to have an impact on -- both on water use, we hope, and whether or not it has an impact on supply is debatable, but I'm not clear what that means exactly?

MR. YAEGER: Kind of two main things that that means.

We heard from the urban agencies that --CHAIRMAN MADIGAN: Would you repeat the question, Steve?

MR. YAEGER: I'm sorry.

The question was in our statement that water use efficiency has some impacts on ag and urban users what exactly does that mean?

What are the specifics of that?

In our analysis we looked at the issue of both affordability and equitability there, the comments that we got from the urban agencies, they indicated that many of the especially urban conservation measures that we had shown in kind of the high level of implementation in

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Alternative A were very costly, that those ignored the issue of integrated resource planning, that we ought to look to the urban agencies to implement that in conjunction with their resource planning and allow that to drive what's the most efficient way to produce reliable water supplies for them, integrating those measures but at a level that

fits with their resource planning.

On the ag side of it the comments that we heard from the agricultural agencies were that the high level of land retirement causes impacts on the districts from the standpoint of not only revenues but also land out of production, third party impacts within the communities.

Their feeling was that the -- you know, if the land retirement was an option, it ought to be imposed only to deal with the ag drainage hot spots in the Valley.

And our own analysis against the solution principles led us to believe that, you know, that ought to be a key consideration, that we ought to perhaps consider that the more recent proposals have been made by some of the ag agencies, that that ought to be a district issue, it ought to be handled through some kind of trust arrangement which the districts decide what the reallocation of water is from lands that are retired because of retired and

converted to deal with the ag drainage issue.

So that's kind of thrust of that one.

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1 MS. SELKIRK: Thank you.
2 That clarifies that.
3 CHAIRMAN MADIGAN: Alex.
4 MR. HILDEBRAND: A couple things.
5 First, on the -- some of the terminology still
6 bothers me.

We're using the term water use efficiency to cover both more efficient use of water and reallocation of water.

When you decide to put land out of production and use the water for something else, that isn't necessarily more efficient. That's just a reallocation of water.

And with regards to the question -- the use of the word pollution, if you're talking about trihalmethane precursors it's a pollution from the standpoint of somebody who is going to treat the urban water supply but from an ecological point of view it's part of the food chain and from an agricultural point of view it doesn't bother anything, but the other point I wanted to come to, has to do with durability.

We aren't directly dealing here with the loss of durability ecologically and in some other respects it's caused by the ongoing increased population of exotic species and if we don't address how we are going to cope

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with that a little more diligently than we are, I think we are not going to have durability that regard.

Secondly, we have an ongoing reduction in the inflow of water to the Delta which results primarily from the growing population.

As we mentioned before we now have three times as many Californians as we had when the CVP was built and we expect to have another 20,000,000 people to feed and clothe here in two or three decades, and they all use water and, consequently, durability for -- involves a question of how are you going to house and feed those people at the same time you maintain the ecology?

I don't think you can entirely and so when we talk about durability, I think it has its limits that are going to be imposed by these increasing populations.

CHAIRMAN MADIGAN: Stu.

MR. PYLE: Yes.

Steve, you may have mentioned it some place, but I wonder if you could point out where you consider in equity the uniformity of approach in achieving the benefits for all of the objectives there to make sure that programs for water supply, ecosystem restoration, Water Quality levees and so forth proceed on a uniform basis that each objective is being treated equally from a time standpoint and a money standpoint and a benefits standpoint as you

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move along.
 EXECUTIVE DIRECTOR SNOW: If I could add a
 comment on that, though, I want to make sure that -- I
 mean, equity really means fairness. I doesn't mean that
 everything is equal.

It does not mean that you only do habitat restoration in the same month that you build a facility.

And so I mean equity really translates into overall fairness and balance of the alternative but I just wanted to make that little technical comment but I think Steve can still address the basic issue that you raised.

MR. YAEGER: Steve, I think in our look here at equitability, the first thing that we are looking at is does the alternative satisfy the objectives across the board and again that doesn't mean that it's equally satisfied but that it does address all of the objectives.

The second component of that is kind of a subset, is there a reasonable balance between the way that it achieves the objectives.

As Lester said, I doesn't mean that it's going to be identical but is it reasonably balanced within the same at least narrow spectrum of objective achievement.

And we look at things like are the benefits from the alternative, are they allocated in a reasonable way and equitable way among all the users. scale on each one of these solution principles and
 subprinciples.

The answer is, yes, we went through, for instance on equitability and we rated not on a scale of one to ten, actually, we started that way and decided that was a little too broad so we dropped back to just our old

a little too broad so we dropped back to just our old
modest, moderate, extensive satisfaction, and we rated each
one of these subprinciples based on that kind of scale and

9 then we tried to bring that together into kind of a waited

evaluation for the full principle; that is, equitability.
So we have all of that detail. If you'd care to look at it

12 I'd be glad to provide it to you. I just didn't want to
13 put it up on the screen at this point because it's a lot of

14 mass of information to get at one time.

The team that performed the evaluation included members of the program team. We brought in fisheries' experts and levee experts from the various agencies within CalFed and what we call our extended or program coordination team.

There is a team of, I would guess, maybe, oh, ten to 12 people that participated, along with our consultants, in doing that evaluation.

It took us about, oh, I'd say, two weeks or so to move through the whole evaluation.

It was pretty extensive, pretty grueling, but I

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And finally, are the benefits and burdens kind of shared in some kind of equitable fashion or reasonably balanced fashion among all of the stakeholder interest groups?

Did that address your question?

I wasn't quite sure exactly what yo

I wasn't quite sure exactly what you were getting at there.

CHAIRMAN MADIGAN: Tom.

MR. MADDOCK: While you have that up there, Steve, have you gone through here -- it wasn't clear in your presentation -- have you gone through and made a qualitative evaluation, say, on a scale of one to ten under Alternative A, fisheries and diversions?

That's eight for Alternative A, habitat and land use is five?

MR. YAEGER: Yes.

MR. MADDOCK: I mean, it would help, if you've done that or, you know, maybe you don't know if it's seven to nine or something, but, I mean, have you -- and my question is have you done that and if you have done it, can we get a copy of it?

22 MR. YAEGER: I'm going to repeat the 23 question.

Tom's question was did we look at trying to do a qualitative evaluation on a scale of one to ten or some

think it was a good process and really generated a lot of

2 helpful information that has brought us to kind of our

3 present juncture.

CHAIRMAN MADIGAN: Okay.

MR. YAEGER: If there are any other

6 questions, what we want to do is just move through pretty

7 quickly on what kind of suggested improvements that

8 are -- look at the alternatives against the solution

9 principles and then our check with the scoping comments has 10 brought us to.

Under Water Quality, you know, that leads us to

believe that we need to increase the Water Quality actions across the board in all of the alternatives, and we ought to try and achieve the best Water Quality in all three areas that we can that's feasible, and that really points towards this uniform program for Water Quality that Lester described earlier that would be present across the board

described earlier that would be present across the board and all of the alternatives.

The ecosystem area, the improvements to the ten

20 alternatives that were suggested by our analysis there was 21 that we -- we ought to add more habitat, more restoration

22 in all of the alternatives to set a common and high target

23 for restoration and that that ought to be a common program

24 that's implemented in all of the alternatives that move

25 forward.

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Water use efficiency area (indicating), leads us to believe that we really need to focus the land retirement program on simply the hot spot ag drainage lands, that we ought to move towards this program that's kind of implemented by the water districts themselves in a trust fashion, a land conversion fashion, that would minimize some of the local impacts from the retirement program.

And in the urban area it leads us to believe that our urban conservation efforts ought to be focused on trying to integrate urban conservation elements and reclamation, with the IRP which is kind of a shorthand way of saying integrated resource planning, that process that all of the urban agencies are involved in to try and determine the best mix of water supply and Water Quality actions across the board. Those all integrate in some fashion or another reclamation and urban water conservation.

In the system integrity area our analysis leads us to believe that we need to have a higher level of levee maintenance to resolve the conflicts that revolve around maintenance of levees, that we ought to add uniformly a subsidence control program to try to increase the durability of the levees in the Delta, and we ought to increase and implement at a high level an emergency

I guess that concludes what I wanted to say about our analysis of the alternatives against solution principles.

4 I'll entertain any more questions if there are 5 some and then I think Lester is going to take this a little 6 further.

7 CHAIRMAN MADIGAN: Questions?
8 Thank you, Steve.

Lester.

10 EXECUTIVE DIRECTOR SNOW: I am without 11 overhead.

11 12 CHAIRMAN MADIGAN: Good heavens, no. 13 EXECUTIVE DIRECTOR SNOW: The point I 14 wanted to make here very quickly and then we want to talk 15 about the program components, I've already mentioned to 16 Mike, if anything, we've kind of overprepared for today in 17 terms of trying to convey information because we indicated 18 at the last meeting that we wanted to talk about the 19 components and do the pros and cons, and so we'll get into that and, I guess, it's up to you to signal that we are 20 21 doing too much and you are not getting enough chance to 22 talk and we will adjust very quickly. 23

But I wanted to go back to this one (indicating) to highlight that it really was a result of all of the scoping comments that we got and our own

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response program that can deal with catastrophic failure and flooding of Delta islands.

So, again, this in our thinking points us towards a common program to deal with levee issues that would be implemented across the board in all of the alternatives with a target set at a relatively high level.

In the water supply and water reliability area, conclusions from our analysis lead us to believe that we need to again increase the emphasis on water supply and reliability. We need to really develop the analysis that shows us the linkages with Water Quality and with ecosystem and with levee stability to develop the information that we need really to look at the opportunities to store and transfer water and to beneficially use water within the system.

16 That really points us towards this variable 17 program that Lester talked about earlier, where you would 18 look at the various combinations of storage, with the four 19 basic conveyance types, analyze the benefits and the 20 impacts and the linkages of various levels of storage and 21 various levels of conveyance and try and display the kinds 22 of information on linkages and cross benefits and impacts 23 that you need to have in order to really determine what's 24 the most effective combination of storage conveyance and what's the most cost effective program within that area.

solution principle analysis that led to this whole issue of
the common program, and just everything that we
distilled -- in fact, there was a lot of people on BDAC
that had been commenting along these lines for some time
and so that's kind of the response that we made and then it
leaves those basic variable components.

And so that's how we've started to do our analysis and how we are starting to look at these different components and starting a refinement process on the components that really runs from now through Phase II.

This isn't an issue of working real hard for 30 or 45 days and nailing the perfect component.

This is an issue of getting a good, solid process started so we are constantly defining and adding more detail to these components and so what we wanted to do is start some discussion of how we are approaching these basic components and one of the ones that I think we got probably the most input on that could result in, you know, basically a different approach to get where we are going is the demand management, and, in fact, one of the things that we got in scoping was people saying demand management is not even the right term. Change the term that you are

using to describe that component and so you're seeing the
term now that we are talking about, a water use efficiency
component.

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And so I wanted to have Rick Soehren start off talking about basic issues and what we are doing with those components.

CHAIRMAN MADIGAN: Good morning, Rick. MR. SOEHRN: The first common program that we'll talk about is water use efficiency, and what you see here is something that should be familiar to you. It's the primary water supply objective and water use efficiency component of alternatives is intended to help us meet that objective, but the water use efficiency component or common 10 program is a little different from the other components that are common programs, the ecosystem, Water Quality and 12 12 system integrity in that the other three may be pursued at the same level of effort across all the alternatives. 14

Water use efficiency is a little different in that the approach may be the same across all the alternatives but the level of effort, the details included may be somewhat different from alternative to alternative for water use efficiency and that's because there are other components of the alternatives that will also help us meet this water supply objective.

In addition to water use efficiency, conveyance and storage are also parts of meeting water supply reliability.

So really all three of these components have to

efficiency as well. 1

> First, conservation in average years may produce somewhat limited benefits in critical years unless you have a way to store that water and carry it over.

5 Also, conservation can harden demand. If you're doing a lot of conservation all the time when you're 6 faced with a drought, it is more challenging to achieve 7 8 additional conservation, not impossible but more 9 challenging.

Water recycling feasibility is tied to source Water Quality.

Any time you use water it's going to pick up salts.

So if your original source water is already high in salt, once you use it, it picks up more salt, makes it more difficult to recycle that water and use it again because it becomes very salty. You can add a desalting component to the water recycling but that increases the cost very substantially.

Another concern is that conservation has to consider downstream reuse.

An ultra low flush toilet in Sacramento does not necessarily achieve the same savings as an ultra low flush toilet in Los Angeles because the folks in Los Angeles are reusing the water that the folks in Sacramento

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compliment one another (indicating) to come up with the appropriate mix for water supply reliability.

Just to review what we mean by water use efficiency measures, urban water conservation measures, such as the best management practices that we are all familiar with, agricultural water conservation measures, 6 such as efficient water management practices, temporary and long-term fallowing or land retirement, and water recycling or reclamation.

The benefits of water use efficiency, north of the Delta can make water available for other uses, can shift the timing of diversion to help the ecosystem and to help fish.

South of the Delta, once again, can make water available for other uses, can reduce drought shortages, can reduce diversions at times when additional outflow is needed for the environment.

18 Perhaps can allow for smaller, new facilities. 19 Benefits to the ecosystem, more water can be 20 available for flow, perhaps lower diversion rates 21 particularly at critical times.

And finally Water Quality benefits, drainage land conversion can improve Water Quality, which is a side benefit.

We have been hearing concerns about water use

used first.

2 The same principle applies for the San Joaquin Valley and can apply for the Sacramento Valley as well.

4 And finally a concern that we heard frequently 5 in scoping that fallowing and land retirement may have far 6 greater impacts than other ways of reducing use.

MR. GRAFF: I have a question about a couple of those.

CHAIRMAN MADIGAN: Tom.

MR. GRAFF: The question is are you going to do financial analysis on those general conclusion? I mean, you mentioned for example that desalting is just that amount of water which is going through a recycling facility is expensive, but I wonder if when you compare that to a -- the cost of improving the Water Quality for all water coming through an area it's really that expensive. I know there is a current debate in Southern California over that very point.

MR. SOEHRN: Well, ideally questions like that are addressed in an agency's integrated resource plan so that if they are doing it right, they are looking at all of the options, certainly, it becomes more complicated when you have a statewide issue like source control and then you have an individual agency doing an IRP. But at least ideally an agency should take

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those kinds of things into consideration and come up with 1 2 the right mix of new supply, recycling, water conservation and so forth. 3

CHAIRMAN MADIGAN: Roberta and then Mary. MS. BORGONOVO: I know that we are addressing some of these issues in the water efficiency work group, but there seems to be a tendency to move away from real incentives towards maximizing the water use efficiency and we've said it many times the reason that some of us keep stressing it is because we want to make sure of the durability of the solution for protecting the Bay-Delta over the long term, and it does directly affect 12 the continued demand for water in the Delta from all of the

So when we mention the best management practices and the efficient water management practices from the agricultural side those are all based on cost effectiveness so I think it goes back to Tom's question, when we talk about the financial impact, those by definition are cost effective.

So in effect they ought to give you this greater benefit. So I would be very interested in seeing the way in which they are evaluated and the cost effectiveness strategies that are incorporated when you begin to evaluate some of this as we go into the EIR.

the need to integrate local efforts in their IRP planning

2

processes I'm not convinced that there is at this point in

time a whole heck of a lot of uniformity across districts 3 about what exactly that means. 4

So I'm piggy-backing a little bit on what Roberta was saying.

I think that as we look at the water use efficiency component of this program I think it really needs to reflect, also, some leadership here on what we mean when we talk about demand hardening, for example, or cost effectiveness, et cetera. I think we need to tackle those questions.

> CHAIRMAN MADIGAN: All right. Thank you. David and then Roberta again.

MR. GUY: Yeah, Rick, I guess -- I'm not sure that Alex's earlier question was adequately answered.

I'm still a little troubled when I look up and see water use efficiency and see long-term land fallowing under water use efficiency.

Aren't we really talking about apples and oranges here when we're talking about basically reallocating the entire increment of water as opposed to a certain increment?

I guess I feel like I'm missing something. Why is this under water use efficiency?

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CHAIRMAN MADIGAN: Thank you.

Mary.

MS. SELKIRK: I was out of the room for the beginning part of your presentation, Rick, so you may have addressed this, but, as I look at these summaries of some of the concerns with regard to water use efficiency and what appears to me a redirection for local control and integrations of any water use efficiency measures that are either recommended or whatever the form is going to be in terms of what comes out of the CalFed Program, I can appreciate the need to fashion a program that has the support and the buy-in of all the local -- both urban and ag water districts that we are asking to take part in this whole program, which obviously is statewide.

However, as we also know, there are dramatic differences in levels of effort and how different water districts define levels of effort with regard to setting goals for water use efficiency. I think we cannot forget that the CalFed Program is a central place at this point in time where we can begin to, I think, create some kind of statewide common language.

22 I can speak only on the urban side but there is 23 an effort in CUWA to really begin to look at exactly how we 24 can compare levels of effort across urban agencies and I 25 think that as we both -- as on the one side we look toward

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MR. SOEHRN: Well, this is something that we talked about at the last BDAC Meeting and we heard in 2 scoping and I think it's really just a semantic issue. 3

We called it demand management before and that really doesn't fit for all the things that we include under 6 this category. We call it water use efficiency now and 7 that isn't a perfect term either.

Certainly, we don't want to suggest by using a term like water use efficiency that agricultural water use is not efficient and, therefore, we have to retire land. That certainly isn't the suggestion.

You know, we are certainly open to a term that is meaningful to people and covers all the things that we are talking about under this component; recycling, possibly land retirement and conservation both in urban and ag.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: If I could add on this specific point of land retirement, I think part of the transition that we are still in, we've touched on in a few places today and we have remnants of old program and new program, that sort of thing, but, clearly, the issue that's before us is kind of our assessment that happened both as a result of solution principles and scoping was that land retirement can be an effective tool in the Water Quality arena. That's the drainage issue, and that we

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should strive to come up with alternatives to land 1

2 retirement in the water use efficiency arena, meaning that

an individual district may be able to achieve certain 3

reductions in water use through temporary fallowing,

5 through crop shifts, through implementation of water

efficient practices, and so I think that's one of the 6

7 issues that's on the table as we refine that component that

clearly is an assessment that the wholesale land retirement

9 is not acceptable because of the third party impacts that

10 it results in, but I think perhaps the issue that you're

11 drawing attention to is that permanent fallowing may be an 12

appropriate technique in the drainage issue for Water 13 Quality purposes, may not be an appropriate technique as

labeled as water use efficiency.

CHAIRMAN MADIGAN: Lester agrees with.

16 Roberta.

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MR. GUY: That's a first.

MS. BORGONOVO: I just wanted to go back to page 5 in our packet and when the potential Phase II alternatives matrix was laid out the whole last few sentences about water use efficiency I still don't understand.

So I don't want to belabor it. It can be turned over to the efficiency water use group because we struggle with but when we talk about the fact that the

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common program will be flexible because it's closely tied to conveyance and storage and still there will be a common level of effort, it's not clear to me exactly what that means.

But again I go back to the whole question of equity. Part of the problem in saying that there are no benefits -- there may not be a lot of benefits in a critical year from the efficiency water use practices goes back to the whole view of the way in which we use water and I think that's what Mary was touching upon is the idea of a common ethic that's practiced throughout the State so that if you have common practices that help all of the agencies to be efficient, overall that is going to reduce the whole use of water so it does help in the critical years.

And so having these questions resolved I think would help a lot of us when we try to develop this common vocabulary that we need, the difference between land retirement and land fallowing or the difference between demand side management and nonstructural alternatives. CHAIRMAN MADIGAN: Thank you. Tom? All

20 21 right.

22 Anybody have any other questions for Rick? 23

24 MR. HILDEBRAND: This business of having a 25 common efficiency throughout the State gets into some real complications because of the confusion of terms again.

2 When you talk about water use efficiency in the

3 case of agricultural or golf courses or gardens or whatever 4 and it's a question of how much of the applied water do you

5 consume and then that's one kind of efficiency, but if you

look at the -- on a regional basis as to what happens to 6

7 the water that isn't consumed, it may not make any 8 difference to whether you have an application efficiency.

9 For example, in the sidewalk river system we go

10 for months on end with so little river flow to the Delta 11 that it never reaches the Central Delta.

In other words, we are consuming the entire yield of the river system and so if you look at the river system collectively, it doesn't really make any difference whether somebody has overapplied them and that water went to groundwater or back into the stream and got reused.

The question is could you squeeze any more blood out of that turnip? You can't. Now, on the other hand, if you are in the coastal area and the overapplied water ends up in the ocean, then that's a loss.

So the situation differs substantially and you have to be a little careful about having standards you apply to everybody.

CHAIRMAN MADIGAN: Thank you. Anybody else?

Rick. 1

2 MR. SOEHRN: Alex, I think I captured that concern on this overhead (indicating) -- or at least I

attempted to, the next to the last bullet, that 4

5 conservation has to consider downstream water reuse,

6 whether it's urban or agricultural. 7

MR. HILDEBRAND: I just think some of the comments that we've been getting may have implied some confusion between applied efficiency or application efficiency versus water use efficiency in the broader sense.

MR. SOEHRN: Actually, there was a discussion about concept such as on farm efficiency and base inefficiency in the first meeting of the water efficiency use work group so I think that issue is before us and is becoming better understood.

MR. HILDEBRAND: One other area that hasn't been mentioned here is the efficiency of water use by making more multiple use of the same water.

Of course, when you recycle you are doing that but it can also be applied to instream use.

It was mentioned earlier this morning that you shouldn't use dilution for pollution but sometimes that's the best way to take care of it.

If you have more dilution than you need to

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achieve adequate Water Quality and you can get rid of some pollution by that, using that dilution, why, that's one good way to take care of the pollution.

So, again, you have to be a little careful on how you generalize on these things.

CHAIRMAN MADIGAN: Thank you.

MR. SOEHRN: I just had one final

overhead. As CalFed staff continues to work on technical issues related to water use efficiency, there is a BDAC 10 work group that has been formed to look at policy issues 11 related to this topic.

We met for the first time last week and this afternoon we'll hear from Judith Redmond, the Chair of that work group, on what happened at the first meeting and I think one of the topics that we talked a little bit about this morning, how you balance local flexibility with some kind of assurance or guarantee or incentive to make sure that water use efficiency does occur. It is an issue that is going to be primary for that water use efficiency work group.

21 CHAIRMAN MADIGAN: Thank you, Rick.

22 Ann.

> MS. NOTTOFF: In reviewing the material that's in our packet hear about implementation measures, under the discussion of water use efficiency programs I

> > Page 74

don't see that pricing is explicitly included as an implementation measure, and I hope that the work group is explicitly looking at pricing as a mechanism for promoting water -- efficient water use.

CHAIRMAN MADIGAN: Judith.

MS. REDMOND: We haven't really worked out our plan for what we are going to look and I think that's something that we are going to be doing between now and the next meeting and I noted that that was also something you put in your -- there was a letter I recently received from the -- yeah, water caucus and I think that that's something that we are going to have to figure out, is what policy issues we can look at. So we hadn't really made a decision yet, about what things we will and won't look at.

MS. NOTTOFF: Because I know that pricing has always been included as a mechanism that we've looked at up to now. I just see that it didn't make it to this latest summary and I would urge that you look at that.

19 The other thing is when you started with these 20 presentations there was a slide that said there is a **1**21 mismatch between supply and demand and one of the things 22 that's concerned me all along is the lack of quantification 23 of, you know, how big is that mismatch and I think that 24 that's one of the things that's most important with the water use efficiency, that we do a really thorough job of 25

evaluating the water resource available through water use efficiency and trying to quantify that as much as possible. 2

I know that -- so I would hope that the group 3 is going to look at what studies -- what type of studies 4 need to be ongoing as the planning process proceeds so that 5 we get a better handle on the specifics there. We have 6 some actual comparative resources that we could compare. 7

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: Clearly as we get into Phase II we need to develop the baseline conditions and projections of water use, water supply and that sort of thing.

One of the difficulties that we have in this program is that we have not set out to solve the State's water problems. I mean, we actually have established as a given that it's not the Bay-Delta system's job to meet all of the unmet needs in the State of California.

And so to that extent we are not doing Bulletin 16098. We are not making everything balance, and that actually while it simplifies our focus causes some problems along the lines of the issues that you've just discussed.

Because in Alternative A, for example, the million and a half acre feet of conservation that came from ag land retirement, in fact, could all go into alleviating the groundwater overdraft problem and the San Joaquin

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problem and not result in any reduction of Delta outflow or 1 Delta diversions. 2

And so that's one of the problems while it helps us focus since we are not taking on the responsibility of solving all of the State of California's water problems we don't have that rigid supply and demand driver.

And so what it means on both sides is for water use efficiency we need to come up with a reasonable and effective program and in terms of improving water supply and reliability and flexibility we need to come up with a reasonable and effective program not necessarily driven by an artificial target.

And that adds a fair amount of complexity to the way that we go about our analysis but I think it's the reality that we'll have to deal with.

MS. NOTTOFF: I just think for purposes of analysis when comparing alternatives, it's easy to compare, you know, transfer facility, a storage facility, there's hard numbers there versus -- I mean, we need to have -- so that it can compete on an equal playing field I think we need some numbers for demand management.

EXECUTIVE DIRECTOR SNOW: Actually, we can do it. You can expect that out of the analysis, where we are able to quantify the differences of performance between

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different alternatives and I think we'll be able to get a 1 2 handle on that, and we'll be doing an comparative analysis 3 to compare, you know, if we have five alternatives to see

how they perform differently between the five.

But -- and the point I was making -- maybe I'm overstating a little bit here, but none of the five would have as an objective of balancing the State's water supply and demands.

CHAIRMAN MADIGAN: All right:

10 Thank you, Rick.

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MR. DANIELS: Yes, sir. 12

Okay. I'll very quickly go over the ecosystem restoration component.

As always our objective is to improve conditions for resident anadromous fish to deal with recreational and commercial fisheries, to provide for decent habitat and flourishing populations of all the plant and wildlife species as well.

We intend to do that by dealing with three basic issues; restoration of ecosystem functions, such as the transport of sediment, the cycling of nutrients, the provision of rearing and spawning habitat, to reduce the stress on the system and its species by relieving problems associated with water quality or pollution, by dealing with

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predators.

We also intend to focus on the elimination of limiting factors, those factors which limit the production and survival of fish species in particular.

A good example of that would be dealing with the need for fish screens on unscreened or poorly screened diversions.

Again, the way we intend to build this component of the program is through the protection and enhancement of existing habitats, through the restoration of habitats, shallow water, riparian, those along the Sacramento and San Joaquin River corridors.

In many cases we'll be looking to convert the leveed Bay lands in the lower system down in the Bay back to tidal action. We'll preserve the meander zone that currently exists on the Sacramento River and do what we can 16 to expand wetland habitat throughout the system.

We will also be acquiring environmental water either through the market system or perhaps more likely through the development of new water supplies upstream of the Delta both north and south of the Delta.

22 Additionally, we will be putting together programs to better and more efficiently manage the habitats that currently exist in the system. 24

Efforts, and I do mean efforts, to control and

introduce species. Once again an emphasis on fish screens, 1

in dealing overall with those factors that limit the 2

production and survival of fish species that currently 3

thrive in some areas of the system but are lost due to 4 5 various limiting factors.

This gets repetitive but it's the foundation for the program.

We will be addressing limiting factors, focusing on the use of natural processes.

Our intent is to increase the resilience of the system such that perturbation such as a prolonged drought will not result in the increase in the number of endangered species or the likelihood that any that are currently endangered will go extinct.

We're looking in every possible case to achieve multiple benefits. We think we can do that most effectively by the restoration of natural functions.

In most cases our results will be measurable, primarily in terms of reducing individual impacts.

Dealing with the measurement of benefits on a population level is much more difficult and will take considerably more time, and where we cannot eliminate a given perturbation to the system we will manipulate things in such a way as to make up for unavoidable losses.

Concerns have been raised. You've heard some

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of them today relative to our scoping comments.

2 There is and will remain for a while uncertainty as to the implementation level and the need to 3 gain experience in order to identify the results that we 4 5 are pursuing and those that are achieved.

We will do that through adaptive management, through the phasing and staging of implementation of the program.

Water supply reliability improvements, which we expect to come about as a reduction in the frequency and duration of conflicts between the Endangered Species Act and the healthy ecosystem and water supply needs will take some time to guarantee but we expect to accrue benefits immediately upon implementation.

This is a slide that Steve also used that points out a need for a common component associated with the ecosystem.

In our scoping efforts and comments that we've received here and elsewhere many people have pointed out that if you're going to restore a healthy ecosystem, you need to pursue the job in a full and complete manner, and that minimal efforts won't result in the kind of benefits that you are looking for.

Common theme is the need to deal with fish screens. Relatively straightforward and mechanical means

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of reducing factors that limit fisheries' production and once again the general theme as we've adopted now in our program is that a uniform level of habitat restoration for any alternative that we might pursue.

All of this is pointed towards this common program that we will be developing more completely through Phase II.

I want to emphasize one of the main objectives and one of the benefits associated with this effort is to save the deteriorating habitats that occur throughout the Central Valley and Bay-Delta system, to increase the base of that habitat in order that its function may serve the system much more completely, and we expect that the result will be an increase in the supply of water through improved reliability, which once again I think will come out primarily as a function of the reduction of the frequency and duration of the conflicts that we've all observed in

I know that's a real quick run through. I'd be happy to answer any questions.

CHAIRMAN MADIGAN: Mary, is there anything you want to add before we get into questions? MS. SELKIRK: Not at this point. I'm

23 24 going to look at the report later.

CHAIRMAN MADIGAN: All right. Questions.

CHAIRMAN MADIGAN: Additional questions?

2 Anybody else on the group? All right.

Mr. Petry, you have a question.

4 MR. PETRY: Yes, I don't know if you can hear me from here but I have a question for you on the City 5 6 of Mendota, they are in the process of building new homes, building new homes and selling them and these people are 7

signing 30 year contracts on them homes, all right, now, if 8 you're going to buy the agricultural land from the farmers 9

on the west side there are 46,000 acres on the original 10 proposal the take it out of production and I'm sure it will 11

12 go out of production as long as they keep putting water on 13

Are you people going to be paying for them homes for us? Are you going to be buying them homes?

If you're going to buy the agricultural land, 16 17 and the support that these people, the ag related people 18 and they work in the ag industry, and if they can't pay for

19 them homes, are you going to buy them? 20 MR. DANIELS: The analysis of the

potential third party impacts and economic impacts

associated with a focused land retirement program will be 22 23 part of the Phase II analysis. I can't tell you at this

24 point, I don't think anybody can, what the magnitude of

land retirement would be necessary, specifically, to deal

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Roberta.

the past.

MS. BORGONOVO: I again have a question about habitat. We've asked the question before but habitat includes freshwater flows?

MR. DANIELS: Yes. The maintenance of habitat will require flow. We're looking at --6 7 A SPECTATOR: Repeat the question, please.

CHAIRMAN MADIGAN: Repeat the question,

9 Dick.

MR. DANIELS: Roberta asked and it's a commonly asked questions as to what role flow plays in the 12 maintenance of habitat and restoration of habitat. Our objective is to seek out the most optimal flow regime that

13 we can that mimics the natural hydrology and supports the 14

habitat that currently exists and that will add to the 15 16 system through our efforts.

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MS. BORGONOVO: so will all of the 18 alternatives then show the actual flow regimes that are 19 part of that?

20 MR. DANIELS: What we will try to do 21 through the ecosystem component is identify the need for

22 flow, identify the timing for flow, identify the value 23 associated with that flow and then through our ecosystem

24 water program identify the acre feet, if you will,

necessary to accomplish those objectives.

with the drainage problem.

2 That will have to undergo considerable amount of analysis and I don't think Lester or anybody else is prepared at this time to commit to buying somebody's home.

5 Rather, what we want to do is avoid that 6 impact.

MR. PETRY: Yeah, that's very true.

But if somebody buys a home and they pay on it for five years and their job is done away in that five year period that you're taking another thousand acres out of production, what's he going to do?

How is he going to finish paying for that home when he doesn't have a job?

CHAIRMAN MADIGAN: Mr. Petry, you've made your point well.

MR. PETRY: Social economics.

CHAIRMAN MADIGAN: I understand.

18 Are there any other questions by members of the 19 BDAC of Mr. Daniels?

If not, let me ask if there are other members of the audience who have either a question that they would

22 like to ask to this point in the presentation or a 23 statement?

24 Seeing none, we are going to break for lunch. 25 Yes, sir.

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also.

Page 87 Page 85 1 MR. McGAN: One definition question. effluent and drainage, management of drainage timing, 2 CHAIRMAN MADIGAN: Sir, excuse me, it 2 better management of urban storm water runoff, land 3 would help a lot if you'd use the microphone and identify 3 conversion in the hot spots of the drainage problem areas, yourself so that we can --4 additional incentives for watershed protection, incentives 4 5 5 to improve filtration and conversion of urban treatment MR. McGAN: I'll pass. CHAIRMAN MADIGAN: Fair enough. My God. 6 plants to reduce DBP's, mine drainage remediation through a 6 7 7 The pressure of the limelight is too intense. system of credits, reducing salinity in the San Joaquin We're breaking for lunch. We'll be back here 8 River and providing additional water to dilute pollutants. 8 9 at 12:45. Thank you very much. Those particular actions will be melted 9 10 Remember, for members of the BDAC, we are together into a common program and then evaluated for 10 meeting in Room 105 for lunch. Thank you. 11 technical feasibility, cost effectiveness and so forth to 11 12 12 try to get the most bang for our buck in a water quality 13 area realize that go we are going to have to modify them, 13 (Whereupon the noon recess was taken at 14 12:08 p.m., after which the following 14 refine them slightly to deal with kind of the differences 15 proceedings were had at 12:55 p.m.:) 15 in the conveyance and storage components of each of the 16 alternatives, but we plan to have a common program that 16 17 CHAIRMAN MADIGAN: Well, we didn't quite 17 will deal with water quality at a high target level. 18 make it at 12:45 but it isn't quite one o'clock yet so Some of the benefits that we identify for the 18 19 that's not too terribly bad. 19 common program on Water Quality is we believe we can reduce 20 20 We are going to resume where we were, on Agenda the volume of urban and ag drainage runoff into the Delta, 21 item number three, and we're going to turn the -- I could 21 we can reduce toxics and eliminate them as a limiting 22 22 use a little help here -- thank you -- we are going to turn ecosystem factor. We believe we can improve Water Quality 23 23 the microphone over to Lester, who is going to pick up for drinking water and related public health implications. 24 24 where we left off under refinement of components. As with any action that you take in the Delta 25 25 Lester. there are some concerns with -- that have been expressed, Page 88 Page 86 1 EXECUTIVE DIRECTOR SNOW: Yeah, we have 1 both by during the scoping comments we received and also 2 two of the common program components we still wanted to hit 2 have been identified by the program team in looking at the and then kind of under discussion of the basic alternatives 3 alternatives. 3 4 we'll deal with the variable components. 4 These particular concerns are not meant to be a 5 The two common program components that we have 5 comprehensive list or exhaustive, but we just want to give 6 yet to discuss are the Water Quality and the system 6 you a flavor of some of the things that we are going to 7 7 stability component. need to look at during Phase II to make sure that our water 8 And so Steve's going to walk through those 8 quality program does not, for instance, change the timing 9 9 fairly quickly and then we'll get on to the variable of a release to San Joaquin River in a way that does not 10 components. 10 reduce the total volume of salts entering the Delta. 11 11 Steve. Again, I think you can understand from earlier 12 12 MR. YAEGER: What I want to do is step conversations we've had on this issue that that's also a 13 real quickly through our common program for Water Quality. 13 function of storage and conveyance components of the 14 14 The common program has the same basic program. 15 15 objectives that we've been talking about for Water Quality Another concern is that the actions that we've

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We are identifying more enforcement for source

in the ten alternatives that we presented earlier to you.

ten alternatives deal with providing incentives for fish

control, constructed wetlands to deal with treating

Quality for urban, agriculture and environment.

Essentially we want to look at better Water

Again, the actions that we identified in the

and Water Quality management and these actions then roll

into our fish -- or our common program for Water Quality,

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proposed in the common program for Water Quality did not

conjunction with the storage and conveyance options to make

necessarily provide the most cost effective solution to the

problem and so we'll be looking at that in Phase II in

sure that we have the most technically feasible and cost

Let me step through the system integrity

and -- real quickly and then we can handle any questions

Again, our common program for system integrity

effective set of actions for each of the alternatives.

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that you have.

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and levee stability has the same goal and objective as the previous ten alternatives; that is, generally to reduce the risk of failure from flood, earthquakes, and general deterioration of the system.

We have -- since the ten alternatives that we've put out we have consolidated all of the actions in the system integrity area into a common plan, a consolidated plan, that includes levee maintenance.

It includes stability, projects on the highest priority, western Delta Island levees.

It includes a buffer zone on the land side of the levees to help control subsidence.

And it focuses heavily on emergency levee management plan, funding, accumulation of repair materials and equipment so that we have the ability to react quickly to levee failures and instability problems.

And some of the benefits associated with this common plan are that we believe that the consolidated plan can effectively protect the land use in the Delta.

It can protect the ecosystem, both terrestrial and aquatic, from the failure of the levees, protects infrastructure in the Delta, highways, levees, pipelines and it can protect the water supply reliability of the export systems along with protecting Water Quality from rapid intrusion of salinity due to catastrophic failure of

1 islands.

We'll be addressing that also as we integrate
the levee maintenance plan and levee stability plan with
the habitat and ecosystem and quality plan that's going to
be developed through the work group so that is something
we'll pay particular attention to during the Phase II
analysis.

Other concerns deal with buffer zones, removing ag land from production, and that there may not be a long-term durability to the program if we don't put enough emphasis on subsidence control and the kind of risk failure that that produces for the Delta levees.

That's kind of a quick step through but if there are questions, I can --

CHAIRMAN MADIGAN: Tom and then Richard.
MR. MADDOCK: Yeah,

On the Water Quality, there's Water Quality requirements for urban use, as you pointed out, and for ag use and then there's Water Quality requirements for aquatic habitat, and some of that is overlapping and like somebody was saying earlier, some of it may have some conflicts.

And is that -- have you brought into focus or are we just at the stage now where we acknowledge those requirements and now we're trying and determine the level of compatibility and how to make them work together and

Page 90

the levees.

Along with those benefits, though, we do understand there are some concerns that need to be addressed.

For instance, one of the concerns that we heard during scoping was that by going to a higher level of stabilization of the levees on one particular island you can during the interim period until the adjacent island levees are upgraded create additional flood risk on those levees that are not yet upgraded but we believe that by staging and setting priorities in the appropriate way that we can address this issue during the Phase II analysis.

Concerns have also been expressed that the kind of levee approach that we are taking, that is, a consolidated approach that's a true program over 20 or 30 years you would fund and do levee stability and maintenance over that length of period, that it may end up being very expensive because of the time delays, because of the length of time that it takes to implement the program.

Again we'll be looking at that out there in the Phase II analysis and trying to set priorities to eliminate that concern, also.

There is also concerns expressed about potential impacts on terrestrial and aquatic habitats as a result of the construction and stabilization of Delta levee

achieve the Water Quality for all three of those issues?

2 MR. YAEGER: Yeah, we are going to talk 3 about that in a little more detail later on on the Agenda.

But to give you kind of a highlight of that, we got during the scoping a pretty lengthy reply on that issue

from the CUWA agencies in which they outlined some criteria that they'd like to see implemented in the drinking water quality area.

We've been working with the CUWA group and trying to sort out how that's going to fit into the program,.

The kind of general work plan that we have arrived at is to try to do something similar in the ag Water Quality area, pull together a group of experts there and set criteria for the Ag Water Quality and in the ecosystem area pull together a similar group of experts, set criteria there and then bring all three groups together to try and work out those areas where there may be conflict in the criteria, areas where there is linkage and cross benefits and attack it from kind of a three prong approach.

So we have started down that road but there remains to be a lot of work done, especially on the ag and ecosystem quality area.

MR. MADDOCK: I thought EPA has already made some recommendations on Water Quality for the aquatic

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Page 93 habitat.

2 MR. YAEGER: They have, dealing mainly 3 with the western Delta Water Quality. So that will be one

part of the picture, but we need to extend that further 5 into the central and north and South Delta, the channels to

give us kind of a fuller picture of the Delta. 6

7 CHAIRMAN MADIGAN: Richard.

MR. IZMIRIAN: I'd like a better 8 understanding of the buffer zones and how they prevent or 9 reverse subsidence and how that might relate to setback 10

levees and environmental restoration and so forth.

MR. YAEGER: Okay. The concept that we are proceeding with is that if you set up a buffer zone,

and we invariably talked about it in widths of a hundred 14 feet to 200 yards, we need to work out the details on that, 15

16 but the concept there is that that would be a zone in which 17

there would not be any agricultural production and that would be from the land side toe of the levee on towards the

center of the island, a hundred to 200 yards, that kind of 19

20 distance.

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And in that area there could be several things that could help with subsidence.

One would be to dike it off and do some shallow flooding. There are some indications that shallow depth of water on the peak to keep it from oxidizing and

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subsiding in that fashion.

It should have been one of the concerns we had on our bullet sheet there is that that technology is still evolving.

Some of the CalFed agencies are just now funding and starting into a pilot program to look at that issue and evaluate how effective that is in controlling subsidence.

So we'll be working through some of those test programs to try and nail down that technology over the next several years, I think.

12 MR. IZMIRIAN: It expected to reverse the 13 subsidence or just prevent it?

MR. YAEGER: I don't think there is any 14 15 expectation that it will reverse it but at least stabilize 16 it.

17 CHAIRMAN MADIGAN: Okay.

All right. Thank you.

19 Lester.

20 EXECUTIVE DIRECTOR SNOW: I want to shift 21 gears here a little bit, but actually before I get into

22 this I wanted to mention earlier today and forgot to until

23 Mary reminded me.

24 Recently the Contra Costa Times put out what I 25 consider to be one of the best supplements I've ever seen covering Bay-Delta system issues and we have ordered

2 reproductions of that which we will distribute to the

3 Bay-Delta Advisory Council. It is not only thorough but

4 very balanced. I mean, I think they present the views of

5 the different interests in a very fair fashion and probably

can play a pretty significant role in just helping explain 6

to people how complicated and complex the situation is and 7

so that's something that we will get to you if you have not seen that.

10 What I want to do, what we have done so far in 11 terms of discussing the components is that we've gone through all of the common components and so again following 12 this new model these are in every alternative, and while 13 14 we've got a lot of work to do on the detail and implementation mechanisms and all that these in fact would 15

And so what really starts distinguishing an alternative for purposes of Phase II are these variable components of conveyance and storage.

And so I want to talk a little bit about the alternatives and then Steve and I will talk about some of the details of the conveyance and storage components.

What I want to do is you notice on here the way this shakes out in a very conceptual sense, as we discussed this morning, is you can almost start thinking about four

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large alternatives.

be in each alternative.

2 Recognizing that what Alex said this morning 3 that within each of these we've got a lot of decisions to 4 make and there may be a wide variation on how you approach 5 it but from a programmatic level you've have four indicated

6 here.

> Keeping in mind what I said this morning that full size isolation is still an issue we're evaluating. It may not pass the test so I want to remind you of that as we move forward.

But to kind of draw a connection with where we have been previously, essentially when you move these to common, then you look at existing system and that is related to A, F and B, from our previous ten.

And so you look at what were the variable components and that is what was included in kind of the existing system.

And so you can sort of think of the existing system alternative as being derived from some form of A, F and B.

And then, likewise, when we talk about through-Delta there really were two alternatives.

Again, you have the common programs and you had D and E, and you can see a number of differences here. E had kind of a wider channel, more integration and habitat.

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D was kind of through-Delta classic. One that's been discussed for quite a few years in the system and certainly different use of storage in the alternatives, but you can think of those alternatives then comprising the through-Delta approach.

In dual system we really only had one in the original ten and so it's related to C. Obviously the sizing can vary significantly but it's some form or restructuring of C.

Again, ignoring the solution principles for the moment large isolation then would be some combination or distilling of H, I and J.

So you can kind of think of these alternatives funneling down into the four that we've mentioned.

The other thing that I think is important, to reiterate and we've already talked about it, and that is that when you think of one of these alternatives, in this case an existing system as you are evaluating this as an alternative, you're making some adjustments. In the case of an existing system you may look at changes to where the intakes are and the export pumps. You may make adjustments so you can go to full export capacity.

You will look at optimizing the kind of storage that's necessary in the system and you'll make adjustments to the common program.

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Kind of a key example of this is over here you are doing habitat restoration. You are going to be Delta smelt, habitat restoration.

If you use the existing system chances are you are not going to put Delta Smelt habitat in front of the intakes for the pumps.

And so it's those kinds of adjustments that you'll have to make in the common program to match the decisions that you made in the variable components.

And what we hope to be able to do by the time of the Workshop packet in a couple of weeks is really start to flush out what these new alternatives would look like and how we would describe them and so we'll have descriptions that will be akin to the Workshop 6 packet where we took 12 to 14 pages to describe an alternative and we'll try to put a lot of information in about how they would work and what actions comprise the alternative.

Alex.

18 19 MR. HILDEBRAND: Lester, I commented once 20 before, that I think that I believe you need to start 21 talking about storage in terms of yield rather than storage 22 because, for example, if you were to raise the storage on 23 New Melones it would get you practically nothing it's such 24 a big dam. If you raised it on Friant which is rather small compared to the watershed you'd get a whole lot of

yield so just the acre feet of storage really doesn't tell 2 you very much.

3 It also doesn't tell you how much multiple use you'll get out of that yield, depending on whether it's 4 offstream or onstream or north or south of the Delta. 5

EXECUTIVE DIRECTOR SNOW: Right.

7 Actually, storage is a fairly complex 8 component.

It can do a lot of different things for you in the system.

Yield or water supply is one of them. Modifying the timing of flows is another.

Actually, sometimes storage cannot peak off of flood flows so it can provide a lot of different benefits and obviously each of those things needs to be identified.

Let me talk very briefly, quickly, about the conveyance components.

I think you actually understand most of these issues from previous discussions, but, again, when we look at the conveyance component and the variations, these are the four that we have identified thus far; basically existing system, through-Delta, the dual system and large isolation.

Existing system has a number of concepts or issues that need to be dealt with as you refine that.

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1 One of them I've already mentioned and that is 2 even in the existing system you could look at minor 3 modifications that changed your ability to use the full 4 capacity.

You can use -- obviously you will use the current diversion system. You may do some modifications of that and you may look at shifting the pumping pattern in the system.

With through-Delta, again, as Alex brought up before, there was a lot of decisions to be made, but basic approaches are that you widen and deepen the channels to increase the capacity; you look at utilizing the pumping capacity you have so that you can move your times of diversion to less environmentally sensitive times and so you'll be able to move the same amount of water with less impact or even more water with less impact.

And also in the through-Delta is the possibility of actually screening.

Even though you are going through-Delta if you've been out on the system that you know a lot of water moves in through the central Delta through the Cross Channel which is on screen which takes fish through the Central Delta which is not necessarily good for them.

24 Dual system has some through-Delta 25 modifications and an isolated conveyance.

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What it does is it brings an extra element of operational flexibility in that you can switch between your diversion sources and hopefully avoid impacts.

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Isolated conveyance, pretty straightforward, convey water around Central Delta, convey directly from the Sacramento River to the largest diversions in the system, the export pumps, and generally that brings higher quality water to the export pumps but also raises questions about Water Quality in the Central Delta.

I want to hit just kind of some common benefits and we can get into kind of detailed benefits and problems at your discretion, but let me hit some of the common issues first.

Obviously, with this kind of mix of conveyance systems you have pretty significant variation in the degree of the changes it makes and the way you can transport water in the system.

It definitely has different levels of modification of entrainment and entrainment is literally the pumps or diversions sucking fish into them or moving fish to a location that's not healthy for them and so depending on where you put it, how much you pump, you modify this quite a bit and so it varies quite a bit across these four different approaches.

One key issue with respect to the three and

across the Delta and so when you modify that conveyance 1 structure you will modify that type of water requirement.

2 3

Moving on to the kind of common concerns on the 4 conveyance system, the first point is that these

5 modifications through-Delta, through conveyance and isolated that are large diversions that need to be

6 7 screened. We are starting to understand that once you move

8 above 3,000 CFS you have technical issues that have to be

9 dealt with and there are not too many models for effective

10 screening of large diversions. There's a lot of theories, there's a lot of work that's been done but this is an issue 11

12 that still has to be addressed. You cannot assume that 13

it's easy to do.

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Depending on how you operate through-Delta, dual conveyance and isolated what you're trying to do with water supply you'll have varying impacts on Delta outflow. You may, in fact, be able to increase critical Delta outflow but you may have a reduction in total Delta outflow. So that's an issue that has to be addressed.

Rather than go on into some of the detail on the specific impacts of the specific conveyance alternatives why don't we go ahead and go to storage and kind of lay that out and then we can respond to comments or questions you have about the variable components.

CHAIRMAN MADIGAN: Okay. Steve.

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we've already talked about this, the existing conveyance approach, through-Delta and dual system still preserves some form of the common Delta pool.

Through-Delta, dual conveyance and isolated improve the operational flexibility of the system.

Also, while we don't talk as much about carriage water anymore, particularly in normal years, there still is an issue of carriage water particularly in critically dry years and so with these alternatives that modify that you may reduce the necessity for carriage water in those years.

UNIDENTIFIED SPEAKER: "Can you explain what carriage water is".

EXECUTIVE DIRECTOR SNOW: Yes.

Carriage water is the water that needs to be released, say from the State or Federal project from the reservoirs in excess of the amount of water that is to be diverted into the system, diverted out of the South Delta, in order to keep the salinity level at the proper location in the western Delta.

And so the way that it works is if you want to 21 move an acre foot of water from Orville or Shasta to the 22 Tracy or Banks pumping plant you have to release more than 23 an acre foot of water in order to keep salinity levels 24 where they need to be because of the way you move water 25 Page 104

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1 MR. YAEGER: You'll probably remember that the 20 alternatives that we laid out originally and the ten 2 alternatives we followed with all had some -- I say 3 all -- most had some level of storage included in the 4 5 alternative.

And the reason is that storage on the system provides a lot of flexibility, provides a lot of cross benefits to deal with water quality issues and water supply issues, ecosystem health issues and even has some measure of flood protection to relieve the strain on Delta levees.

So that kind of sets the stage for what we believe is a need to include storage as a variable component of all alternatives that we move forward into Phase II analysis.

The benefits that you identify with storage are, again, flexibility for all kind of purposes, management of downstream temperatures, carryover storage for drought year periods, annual supply opportunities, the list continues, enhances water transfer opportunities, adds flexibility to reduce entrainment of fish by allowing you to shut down pumping during critical fisheries times, allows you to improve timing of Delta outflow because you have additional water to commit to that resource, increased flood control, as I said earlier. There are recreational

and power benefits also associated with storage.

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In our common -- I don't want to say common
program -- but our program for storage we are including as
storage all five of these concepts; conjunctive use,
groundwater banking, upstream surface storage -- I should
explain, I guess -- when we say upstream, we are talking
about storage that's associated with the Sacramento River
and the San Joaquin River upstream of the Delta.

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It may be both offstream or onstream storage and downstream surface storage we are using as a term to refer to offstream storage that's on the aqueduct system downstream of Tracy.

And then of course we had in-Delta surface storage in the islands.

We are including each of these types of storage in our storage component, putting a priority on it that's essentially this list, priority first on conjunctive use, second on groundwater banking, thirdly on upstream surface storage, and within that a higher priority on offstream storage.

We don't see that onstream storage really is a viable element of our program because of the impacts and the way that we've structured the program to address ecosystem health and then downstream storage and in-Delta surface storage as lower priorities.

We are going to be looking at combinations of

Groundwater banking is a similar concept.

You'd be storing during wet periods mainly by recharge and extracting during dry and critical periods to augment your water supplies to address all of the issues that we are trying to address.

Upstream surface storage, that is on the Sacramento River and San Joaquin River, with a priority on offstream storage off of those systems would be capturing excess flows after the peak of the hydrograph has passed.

I think we've gone into that particular operational criteria a couple of times in the past but that's the type of diversion that we're putting a high priority on in order to minimize fisheries impacts.

We'd be releasing water from the storage to augment instream needs, water supply and other Water Quality needs.

And these are a list of some of the examples of the way that that would operate.

Downstream surface storage, and, again, that term refers to offstream storage that's associated with the State and Federal aqueducts south of Tracy. We'd be filling using diversions off of the Delta Mendota and the California Aqueduct during times of high flood flows in the Delta filling in during these high flood flows because those are periods that we believe perhaps avoid -- hurting

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this full list of storage for each one of the conveyance components, analyzing the level of storage that works with each one of those components to deal with all of the multi-objectives we have; that is, to provide effective ecosystem health that flows for fisheries in the spring, storage water to offset pumping at critical times here in the year, carryover storage for water supply reliability, carryover storage to deal with water quality issues and releases in the Delta that deal with water quality and of course the flood control component.

So we'll be looking at all of those issues, analyzing a range of storage and a mix of these elements that most effectively, I don't know, uses the linkages with the conveyance, particular conveyance that we are looking at as well as the common programs of Water Quality, ecosystem and levees and channels.

We are kind of running behind so I'm not going to spend a lot of time on these particular slides.

Conjunctive use, these slides talk a little bit about some of the operational issues related to the different storage components, conjunctive uses in management and operation of groundwater basin, sort of along the terms of an onstream reservoirs, you'd be filling during good years and then extracting during dry and critical years.

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1 fish is not a good term but at least it has less impacts 2 than some of the other more critical fisheries periods.

aqueducts allows you to curtail pumping during particularly
 sensitive times and some examples are that the current San
 Luis Reservoir and Passaic Lake (phonetic) in Southern
 California or offstream off of the Southern California
 aqueduct --

The additional storage offstream on the

MS. BORGONOVO: When you say downstream, you mean it's not down in the Delta but it's between Tracy and Carquinez Strait --

MR. YAEGER: Between Tracy and San Diego essentially on the aqueduct system, somewhere south of the pumps right along the aqueduct that you could feed off the aqueduct.

(Inaudible)

MR. YAEGER: It's often been called south of Delta storage.

We've kind of changed terms there because there was some confusion. We said south of Delta what does that mean, storage that's off of San Joaquin River also?

And so we are trying to differentiate between those concepts.

In-Delta surface storage is essentially island storage. You would be converting Delta islands and storing

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Page 109 1 water. 2 It has particular benefits during the wet periods when you divert water when there is less harm to 3 the fisheries and it has a particular functional benefit in 4 5 that it's close to the source. You can release water from those islands, island storage during the time that you need to make quick 7 water fixes, when you need to provide transport flows for fisheries and so forth. 9 10 There are some concerns about the technical 11 feasibility of this that we are going to be looking at during Phase II, of course. 12 We have also identified a whole list of 13 potential impacts associated with storage, which range from 14 terrestrial impacts at the site for offstream storage and 15 impacts on water quality in the Delta from in-Delta 16 17 storage. 18 I don't want to go into a lot of detail unless 19 people have particular questions but -- do you want to deal 20 with some questions now? 21 CHAIRMAN MADIGAN: Alex. 22 MR. HILDEBRAND: Steve, I don't think you 23 should make the generalization that offstream storage is 24 better than onstream storage. 25 I think you have to look at that on an Page 110

There may be other storage and conjunctive use 1 2 alternatives that can generate the water that we are 3 looking for. MR. HILDEBRAND: Well, if you acquire it 4 5 by new yield, that's okay, but if you acquire it by just reallocating water directly or indirectly from summer flows 6 7 to fish flow you are going to have some big impacts. 8 CHAIRMAN MADIGAN: Stu. 9 MR. PYLE: Steve, just a comment about 10 conjunctive use and groundwater banking. I think in both of those you'll find that the 11 12 physical situation is basically the same, that you are 13 using the empty storage and you are using some source of water to put water in and take it out and other than a 14 15 natural regimen, but I think the difference has to do with the objective of the program and the ownership and the 16 17 payment and who gets the benefits and so on and so forth 18 and the groundwater banking it would seem that generally 19 you have some source outside of a groundwater basin 20 attempting to make use of that groundwater basin than 21 storage and in the conjunctive use you have the mutual 22 action of the parties that are involved in operations in 23 their groundwater basin to smooth out the sources of supply 24 that they have, to use excess surface water to balance

individual basis. 1 2 Frequently the kind of terrain you'll flood is 3 similar in either case and the offstream storage typically does not provide the same multiple benefits; particularly, for fisheries streamflows and so you frequently get more 6 bang for your buck if you have on-stream storage than 7 offstream. You have to look at it on a case-by-case basis. 8 Then I have a question. 9 Earlier your alternatives almost all talked 10 about acquiring the water from the tributaries in the 11 San Joaquin River system and we had some big problems with 12 that. 13 You haven't mentioned that today at all that I 14 recall. 15 Have you abandoned that or is that still in 16 your mix? 17 MR. YAEGER: I think that's still in the 18 mix. 19 Maybe Dick, if he's here, would want to comment 20 on that. 21 EXECUTIVE DIRECTOR SNOW: I can add, it is 22 definitely still in the mix to get additional fish flows on 23 the San Joaquin. 24 I think what we have expanded is that perhaps

Page 112 So somehow it would seem to me that you ought

1 2 to make sure that the different objective is clearer when 3 you're talking about those two things if you agree with me. 4 MR. YAEGER: Yeah, I agree with you.

groundwater to recover overdraft and so on and so forth.

We've tended to kind of move through conjunctive use very quickly, but you're correct.

It's an aquifer by aquifer situation and district by district so really each program needs to be crafted to deal with the local conditions and it's not a one size fits all situation, you're correct.

MS. BORGONOVO: Can you just clarify that again? I thought Stu was saying basically they are the

same process. It's just a difference over who has control

of it? MR. PYLE: Yes, that's what I'm saying.

That when you're talking about groundwater banking, I assume in the terms that are being referred to here are we are talking about storage of water in the Sacramento groundwater basin which could be extracted for a beneficial use in the Delta or beyond the Delta somehow and when we are talking about conjunctive use, we are talking about the use of water say within the Kern County groundwater basin, that I can talk easily about, that either originates in the basin or is brought in by an

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it's not -- the only thing to consider is purchasing water.

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imported method through an imported supply to balance water 1 2 from each available source at the time that it works out 3 best and still get the best use of your groundwater. So you have different people paying for those 5 programs and I would think usually in a conjunctive use program the people in the local area will be paying the 7 bill. If you're talking about the groundwater banking if it's in the Sacramento Valley somebody else who will get 9 the benefit will be paying for that.

10 CHAIRMAN MADIGAN: Lester -- oh, I'm 11 sorry.

Judith.

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MS. REDMOND: something that came out in scoping, I know, and has been presented here several times was the whole question of watershed practices, watershed management and changes in land use and management practices in the watershed that could potentially change yield or change the whole picture.

And before we move on I think that that's an important issue. It certainly was when BDAC members sort of were polled it, came out as an important issue and I'm curious how it's going to fit in or if it can be fit in.

23 MR. YAEGER: Actually, watershed 24 management is part of the core actions as far as providing 25 incentives and so forth.

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It's also we've wrapped it into our water quality program simply because it fits both in water quality and water supply.

There's certain implications in each area but we have included that in the common water quality program and we'll be pursuing that under that program.

EXECUTIVE DIRECTOR SNOW: Clearly as a result of scoping we need to take a harder look at watershed management and do more detailed work on where it fits in because I think when we started with a program and when we first included watershed management it was in there largely as a water quality technique.

What really came out of scoping and then people followed up and submitted reports to us was that it can also be a fairly effective water supply program and that we did not really have fully on our screen at the time and so we need to do a lot more work on that.

18 The other thing that we are interested in 19 related to that is that some of you that are attuned to 20 this may be aware, I think it's in late June the Sierra 21 Nevada Ecosystem Project, is that the right term, will be 22 releasing their initial findings on a study that they've 23 been doing, on the whole ecosystem in the Sierra Nevada 24 system and we suspect that that will point to better 25 opportunities in better watershed management.

Okay. What I want to do now is actually show 1 2 you the preferred alternative (laughter) -- just checking. 3 I noticed a few people kind of getting droopy 4 eyed.

5 Actually, I want to just hit you with a little 6 bit of process here and then we can get on to the EIR/EIS 7 process and then the work groups.

I talked about this graphic this morning and basically where we are is in the refined components.

We kind of indicated a trend today that would have these A through J probably going to four alternatives, maybe as few as three, but always recognizing what Alex said, that within an alternative like existing system you are going to look at little variables in there and so what you probably end up with is alternative one, A, B, C and you are going to evaluate those. But so we are basically in this box.

We are going to try to put this together in a tighter explanation and have it mailed out for the June Workshop, and so that should mean that somewhere around June 17th you would have in your hands the Workshop 7 packet.

Workshop 7 is on June 25th and so that would be kind of the first rough assessment as to where we are with the potential Phase II list of alternatives.

Page 116 We would digest what we learned in the

1 2 June 7th -- or excuse me -- the June 25th Workshop and then

3 the next thing you would see would be the Bay-Delta

4 Advisory Council packet for your meeting on the 19th. 5 If things go well, we will be able to present 6

to you what we think will be the first genuine draft of a Phase II alternatives list.

And that would be kind of the first time we'd have something that we are fairly comfortable saying this is what CalFed is saying the draft list looks like.

We would have discussion then. We would take comments from BDAC and concerns, take that to Cal-FED and in turn CalFed will probably hold a public session to, you know, give people another chance to comment, take that into deliberation and some time in early to late August issue a release of the Phase 1 completion report.

So that's the track that we are on and I think if you have a sense of timing you know that that assumes that there is no major explosions in the process and if we get major problems that arise, then we'll have to adjust accordingly.

But if that goes as we expect, as we hope and expect, then again as I mentioned in Phase II you can almost think of think concurrent processes; the NEPA CEQA process that moves through a specific process to end up in

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certification of an EIR and record of decision on the EIS, which then goes into Phase III, preferred alternative.

At the same time really starting now we are going through a component refinement process and then also what we've called here implementation strategy, which are all of the institutional issues and financial issues that

7 need to be resolved. 8 So that when we get to Phase III we have more 9 detail on the components. We have a preferred programmatic 10 approach and we have implementation strategies and implementation strategies are necessary for a lot of 11 12 reasons but that's where we've got the guarantees that link everything together so that the whole program can move 13

forward together. That's kind of the basic process and I guess I'd like to have Rick Breitenbach talk a little bit more about the EIR/EIS NEPA CEOA --

18 CHAIRMAN MADIGAN: Lester, before we do 19 that, let me check with the audience and see if there are 20 people who want to make any comments on anything that we've 21 covered to this point?

Because we are about to shift gears here and move into a new area.

I know that Gary Bobker had indicated a desire.

Mr. Petry -- yeah, go ahead, both of you.

that you raise about water quality but, in fact, simply

broaden the tools that we are willing to look at which will 2

3 continue to include consideration of some land retirement

but there is a lot of other techniques that can be used 4

5 that will be part of the program.

MR. PETRY: Yes, Lester, I understand 6

7 that.

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8 But way back when Mike Madigan and I were 9 supposed to split a six pack or maybe it's at that time

when BDOC was in effect --10

11 CHAIRMAN MADIGAN: Whatever happened to 12 that, anyway?

13 MR. PETRY: You never came up with the 14 money.

15 CHAIRMAN MADIGAN: That could have been 16 the reason.

MR. PETRY: The financial aspect, either that or when a friend of mine had prostate cancer and he got all fixed up.

But anyhow, I made mention of the fact that that's going to happen to the economics of the people within the City of Mendota, the little people?

Are they going to be offered financial support when that land goes out of reduction?

They are not going to have an income anymore.

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You lose, Gary. You didn't move quickly enough.

3 MR. PETRY: Yeah, when we get into the final drafts of all alternatives, so far we started off

with the 20 alternatives, we got down to ten alternatives, 6 and now we are going down to three to five alternatives but

I find that you keep drifting further and further from the

8 San Joaquin issue and where water quality is concerned,

where the land retirement is concerned and also the 10 economic effects of what the situation is going to be when

11 you get to the final alternatives.

And I think there needs to be more input in the concerns of the people in the vicinity of what I'm talking about.

CHAIRMAN MADIGAN: Lester.

EXECUTIVE DIRECTOR SNOW: Yeah, there is no question that the drainage issue has to be dealt with.

18 Our original proposal to deal with drainage was 19 primarily, if not, in fact, exclusively land retirement 20 approach to dealing with it, which would dramatically

21 change the drainage issue in that area that you are talking 22 about.

23 What's happened as a result of scoping is 24 people have asked us to look at a broader range of drainage 25 approaches and so we expect to not move away from the issue 1 I haven't had the answer as of yet.

They offered the farmers money but they never offered the little people and the farmers they are offering the money to are the big farmers because the little ones are already out of production.

And can I some time during this process of the alternatives get an answer to that question?

EXECUTIVE DIRECTOR SNOW: Well, I'm not sure how to answer that question yet because one of the things that we are trying to do is look at effective drainage management techniques that don't exclusively rely on land retirement. I think that gets at part of the issue that you are raising.

Also as we move forward a required part of this program is to evaluate the economic impacts.

If we have in place when we get toward tend of this program large scale land retirement we have to address the economic impacts of that.

And one of two things has to happen.

You either have to come up with a way to mitigate those impacts, which means address the people that you are talking about or you have to say that that's an undesirable approach.

So I think that all of the issues that you have raised are on the table in part of the analysis that we

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intend to conduct in this program.

2 MR. PETRY: You know, we are not talking 3 about economics is one thing and about the little people and the other thing about water in the aquifer and the 4 quality of water in the City of Mendota. 5

And then I talked about additional flows in the San Joaquin River and continual flows.

I don't only talk about one side of the issue. I talk about both sides of the people and I speak as a member of the public.

I don't represent the City. I don't represent the water district, the farmers.

I'm on the Committee for the Pinoche Silver Creek runoff and there is a 13 member steering committee.

I'm Chairman of that Board but I'm never here 16 representing that. I serve on the Planning Commission in the City of Mendota.

18 I'm not here representing the City of Mendota. 19 I'm not representing the City Council of the 20 City of Mendota.

I'm representing the people of Mendota and how they are going to hurt and the effects they are going to have on actions that aren't being taken on the upper San Joaquin River by continuous flows could contribute to diluting the salts in the San Luis drain but we've got to

I'd like to see and what you're talking about is water for 2 the stripers.

3 Every time they drop the flows in the San Joaquin River, the fluctuating flows, they drop eight, 4

ten, twelve foot, what happens to the fish that go in 5 6 shock?

7 I know I can't catch them for two weeks after 8 that.

9 And then I've got to wait for the flows to come back up and after the flows come back up it's another two 10 11 weeks before I can catch any fish.

12 Four years ago I was catching fish at Los Banos 13 over there by the game reserve.

If the fish could get as far -- salmon, I'm talking about salmon -- if they could get as far as Los Banos why can't they get up into the Mendota pool?

Are there birds down below the Mendota pool that's interfering with them getting down there?

Does there need to be repairs on the fish ladder on the Mendota Dam?

CHAIRMAN MADIGAN: Thank, you Mr. Petry.

Lester has said that he expects your issues to be dealt with during the process. I appreciate that.

Mr. Bobker you're up.

MR. BOBKER: Thank you, Mike.

One is that if a comprehensive program of

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have them first. 1

> Additional storage at Millerton Lake, I wouldn't care how much the pool pumpers would pull out of the aquifers east of the City of Mendota if we had continuous flows to replenish those aquifers, things of that nature, Lester.

And I'd like those things included in the alternatives and not getting further away from the upper San Joaquin River but include us in your findings.

That would make more water, water that could probably be put in the San Francisco Bay or less -- more water out of Millerton Lake with less water coming from the Tracy pumping plant by way of the Delta Mendota canal.

More water in the San Joaquin River could be going past the Tracy pumping plants by way of the three rivers and putting water in the Estuary.

We could add water to the Estuary. We could take less water from the Estuary.

19 There's many factors involved in the upper San 20 Joaquin River and I just want more consideration on the 21 little people, the little farmers and what's going on in 22 the upper San Joaquin River.

23 And in addition to that, where fish and wildlife are concerned, that this fellow with all of the 24 hair over here -- yeah, you (indicating) -- the thing that 25

Page 124 I want to comment on a couple of things, but

1 2 just playing off the conversation between Lester and Ed 3 that we just heard I want to make two quick points.

5 drainage management isn't undertaken that includes a lot of 6 different -- whatever is involved in that, in that program, 7 there are questions about the viability of west side

8 agriculture that are going to have severe long-term impacts

9 for farmers large and small in that area.

So the problem does need to be dealt with.

11 And I'll note that the environmental water 12 caucus, although very supportive of permanent land 13 retirement focus for drainage impaired areas supports the 14 use of varied drainage management strategy -- or I'll say 15 land management strategies in the CalFed Program and would

16 not support an approach that solely relied on permanent 17 land retirement and we said so in our comments and we think

18 that moving in that direction is a good one and we support

19 it. 20

25

In general the directions that were being 21 described in terms of the thinking about common programs 22 and strategies is a good one and consistent, with I'll

23 remind you, the stakeholder recommendations that were made 24 to this body back in February.

Obviously, there is a lot of details we could

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talk about which I will not do here.

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I want to focus on one area where at least the environmental community has some concerns about the compatibility between the system integrity and the ecosystem restoration programs and strategies.

And we discussed this a little earlier, BDAC members discussed this with staff a little earlier.

The system integrity program has an emphasis on levee maintenance and stabilization and obviously that's a very critical component of protecting beneficial uses in the Delta.

We think it needs to be done but it has to be done in concert with an equally aggressive and comprehensive program of controlling and in the long-term reversing subsidence. That's related to a couple of key issues.

One is that we had some questions and concerns about the long-term viability of agriculture in the Delta, particularly in the peat soil areas of the Delta and we think that needs to be addressed.

One reason it needs to be addressed is because we need to reduce the vulnerability of aquatic and wetland habitats in the Delta to levee failure and I don't think that just relying on a levee system until long-term is going to give us the level of certainty that we want.

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We also have concerns about the long-term physical impacts in supporting a program which is overly reliant just on levee maintenance.

And finally I think our concern about over-emphasizing levee maintenance and not looking at subsidence reversal is that we forego opportunities to create -- to expand habitat and to restore habitats in the Delta and that's extremely important.

Because while this is very encouraging that the CalFed program is expanding the scope its ecosystem restoration program, it's becoming more extensive in its focus both upstream and downstream.

There continues to be I think inadequate attention paid to one of the areas of most severe habitat loss and that's the loss of fresh water tidal wetlands in the Delta itself.

We'd like to see restoration efforts that restore tidal wetlands in the Delta more focused on and more consonant with the approach to providing system integrity in the long-term.

Obviously, there are a lot of sensitive issues 22 related to that and any program should occur on a long-term voluntary basis that's sensitive to the impacts of the local economy, but it's something that we do need to think

about as part of a truly long-term and durable solution to

1 Bay-Delta problems.

Thank you. That's it.

CHAIRMAN MADIGAN: Thank you very much,

MAY 29, 1996

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4 Gary.

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5 Anybody else from the audience who wishes to be heard at this time? Yes, sir. 6

MARK FRELIER: I'm not sure if this is the appropriate time to bring it up. Has anyone looked at the legal aspect of what you may be doing here as it affects the riparian rights in the Delta.

Considering that most of those are riparian rights around the islands there is a lot of assumption being made that we will do such and such and I'm just wondering from a landowner's point of view how that may affect water rights to a landlord or landowner or are we kind of skirting the issue as was done in the 1990 drought by approaching it as a land use but those that might not be directly involved or may not want to participate in the program, are they -- are there riparian rights being redefined or jeopardized in any way.

CHAIRMAN MADIGAN: Would you give us your name, please.

23 MR. FRELIER: It's Mark Frelier. 24 CHAIRMAN MADIGAN: Thank you very much.

Lester.

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EXECUTIVE DIRECTOR SNOW: Well, I think

2 the short answer is it's not our intent to have anything in

3 these alternatives that impinge on existing rights and we

4 are not proposing anything that we feel violates the

5 State's water right structure, but it sounds like you

6 actually have a real specific issue and maybe we could talk

7 sometime today so I make sure I understand the specific

8 issue you are raising to make sure I can answer it better.

9 But as a general sense we are assuming maintenance of the 10 existing rights structure.

CHAIRMAN MADIGAN: Thank you, Lester.

You wanted to ask Rick up to --

EXECUTIVE DIRECTOR SNOW: Yeah, I wanted

Rick to spend a little bit of time on the Phase II schedule since we're approaching that. I know we are focused on this short list, but very soon we are going to be focused on Phase II and how we get to that and I want Rick to just spend a few minutes giving you an overview of the Phase II

19 timeline and issues.

> CHAIRMAN MADIGAN: Rick. RICK BREITENBACH: Just wanted to very quickly step through two overheads, not ten or 20, just two overheads and talk very generally about the schedule for the Phase II for the EIS/EIR and then try to bring you up to State on of the some other work that we've been doing

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1 with the EIS/EIR.

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As you can see right off it is very general.

We intend to put the draft on the street in October of '97,

probably along about August we'll have an administrative draft out for review and then move right to the draft that

we put on the street.

Following that we'll start on the final EIS and it shows that we are starting in October but in reality from about October through February we'll be focusing on the public review part of the draft EIS.

We'll have public hearings. We'll have public workshops to try to give them a concept of what we're going to be doing in the final document, we'll be responding to comments, but at the same time we will be getting underway with the final EIR/EIS and that will put a draft into -- excuse me -- the final document into EPA in September of '98.

We'll also be working on the record of decision before we get that final EIR/EIS out, try to get a draft out for people to review and then finish it up in December of 1998.

Obviously a lot of the work that goes on in this phase, this draft phase and some in the final revolves around impact analysis, and with impact analysis you need to know about the no action alternative and what's in the try to get some sense of whether or not the tools that we

2 are proposing to use for analyzing impacts are the

3 appropriate ones, make some adjustments on those and then

4 have a Workshop. It says late July but that's July 25th

where we'll bring everyone together and show you what the
 impact assessment process is going to look like.

7 And that's about all that I have unless there's
8 some questions about what we're up to and where we're going
9 next year -- this year for that matter.

CHAIRMAN MADIGAN: Mary.

MS. SELKIRK: Rick, who will be invited to

these series of Workshops?

Who is on the mailing list?

RICK BREITENBACH: The no action Workshop?

MS. SELKIRK: Yeah, that Workshop -RICK BREITENBACH: We intend to invite the

mailing list, the ones that we've always invited to the various Workshops that we have so all of you will be invited to those Workshops and all of you will receive

20 packages.

21 CHAIRMAN MADIGAN: Alex.

MR. HILDEBRAND: I'm not clear on your

bottom one there, the impact assessment process.

Is that the impact of all the components of all

alternatives?

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alternatives and what's in existing conditions and that's what we are doing next and that's what I want to talk to you just a little bit about with respect to our current schedule of efforts.

As you all know we've just completed the scoping process. We have a scoping report that will be out in June. I'm not certain of the date right now.

We are going to begin or we have already begun to send out information to people on screening criteria that we are going to use for deciding what will be in the no action alternative and what won't. The results of our screening efforts will go out towards the end of June in preparation or -- to give people a chance to prepare for a Workshop that we are going to have July 11th. I'm not quite certain where it is yet and I don't see Beth, but I believe it's here but I'm not sure.

So at that Workshop we'll not only talk about the no action alternative but we'll spend a little time talking about existing conditions and that baseline that we will use to compare against the alternatives as well.

We're also working on the impact assessment process, how we are going to analyze the consequences of the alternatives.

We are going to have some focused work group sessions or work sessions with some technical experts to

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RICK BREITENBACH: When we compare the alternatives to one another we have to have some sort of

3 process, some modeling tools, some analytical tools to do

4 that and that's what we are going to be talking about,

which are the appropriate ones to use.

MR. HILDEBRAND: I don't know how you are going to do that when we haven't decided what the components are in those alternatives yet. How are you going to assess the impacts before you pin down -RICK BREITENBACH: We don't intend to

assess the impacts. We are just trying to identify tools to use when we do eventually do assess impacts.

CHAIRMAN MADIGAN: Anybody else? Okay.

Thank you.

Okay. We are at the point of item number six on the Agenda which is report from the BDAC work groups.

And the first of those reports is from Eric on the finance work group.

Eric, you're on.

MR. HASSELTINE: Thank you,

21 Mr. Chairman.

The finance work group has had three meetings and we've been working toward setting up a process and developing principles by which a cost allocation and financing strategy could be developed.

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We've been focusing first on cost allocation methods, looking ahead then to developing financial mechanisms that would be appropriate as the allocations are applied.

So far in sort of a — being consistent with the document that was distributed to BDAC members several months ago concerning financial strategy, our focus relative to the cost allocation has been on benefits, and it's been a cost allocation based on the actual benefits and beneficiaries of the action taken.

There has been considerable discussion recently relative to the school of thought that causation should be integrated into this process as well.

That is in response to the, I guess, obvious aspect of this program that some of it will be aimed at repairing a damaged ecosystem in the Delta and, therefore, the parties or processes which have caused at least that damage to the extent that that can be determined should bear the costs associated with restoration and that's been a very, very difficult topic to discuss and try to pin down.

We have discussed the possibility of incorporating such a component but limited to those instances in which there is a clear definition of costs and there is a second school of thought that there is no such

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thing as a clear definition of costs. So that's sort of a knotty problem which isn't totally resolved yet.

We are moving ahead in the meantime with a cost allocation method basically based on benefit.

We've conducted a brief literature search of pertinent material, including a rather lengthy dissertation published by the California Research Bureau on the cost allocation processes that were used by the State Water Project.

We've invited all others that we can identify to date with expertise in this general area to work with us or offer us their comments.

Our discussion really up to this point has not gone very far because every time we get into discussing the principles and some of the guidelines by which we are going to work we really get bogged down on questions of when and where that particular principle would be applicable and how it would be applied.

And so I'd like to say that the working group has decided -- I really think it's the staff that's decided -- because after all the working group is meeting once a month, we hope that the staff, particularly Zach McReynolds is working every day on this.

They've decided to do a case study which we wholeheartedly endorsed as a means of simply trying to take

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some of the ideas which we already have and others that we are on the verge of and just try to work through an actual case study of one of these alternatives that exists as of today just to see how we would approach the various questions of allocating the costs out.

And the alternative that's been chosen for this, and I don't think there is anything to be read into this, at least to my knowledge there is not, but the alternative that's been chosen is the dual conveyance one. If for nothing else other than that it sort of is the broadest application. It includes both the flow through and the isolated components and so, therefore, it gives us an opportunity to sort of test ideas of cost allocation on anything that might end up in the final solution.

The first approach that I think we're going to take, in the State Water Project a technique called separable costs of remaining benefits was used in which wherever you could identify specific costs for which there was a direct benefit to a particular end party was made and then dropped out and then you look at the remaining part of the problem to the extent that you can and hopefully in the end that all comes together for you and that you have been able to allocate all of the costs to specific benefits.

We don't think that's going to really work very well here in a program in which there is obviously going to

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be a large environmental restoration component.

And so we were looking more to a proportional cost allocation in which we might start with, first of all, attempting to allocate costs out proportionately to each of the four major objective areas. That's water supply, water quality, system vulnerability and ecosystem restoration.

And then within those attempt to work to the extent that we can on assigning benefits as they are readily identifiable and that will then lead to, I think, a -- some sort of a principle that's going to have to be developed relative to how to split costs between the public at large and private parties.

So that's where we are at the moment.

We are looking forward to some of the preliminary work on this specific case study prior to our next meeting, which will be June 20th, but needless to say we are not in a position to reinvent the wheel here and we are very, very anxious to take advantage of all of the knowledge and expertise relative to both cost allocation and financing that might be available.

I don't know. Perhaps Dave Guy or Tom Maddock or Roberta Borgonovo would like to comment further.

CHAIRMAN MADIGAN: Are there questions?

Hap.

MR. DUNNING: We just were given this

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the group.

Page 137 business leaders' findings on financing options. I wonder 2 if you could comment how what you're doing dovetails with 3 that report or differs from that report? MR. HASSELTINE: Well, I've had it about 4 5 as long as you have. MR. DUNNING: You haven't seen it at all 6 7 before? MR. HASSELTINE: No. I did see a 8 preliminary version of it. That got into more of the 9 financial possibilities, at least as I read it the first 10 time, of exactly where the money might be coming from. 11 12 They were talking about things like user fees and so forth. 13 We really haven't gotten to that yet. We've been looking more at the cost allocation and more or less 14 15 an assignment responsibility before we look at the actual methods by which those responsible might be expected to 16 17 come up with the necessary funding. 18 CHAIRMAN MADIGAN: Hap, a little further 19 on the Agenda this afternoon I'm going to ask David to tell 20 us about the report. 21 MR. DUNNING: Okay. But you will be 22 coming to those financing questions on that? 23 MR. HASSELTINE: Oh, yes, absolutely.

EPA on this particular topic at the last meeting, and the strategy of adaptive management as being the guiding concept that needs to underlie any long-term restoration plan in the Delta.

Also, there is a lot of agreement that this

know, we've had a fair amount of discussion on today.

With regard to the specifics of the draft document the CalFed staff has been developing I think we

have a fair amount of agreement on the vision, mission

of the plan but we do need to return to the -- to those

sections at the beginning of our meeting the next time to

really get clear on whether there's clear consensus among

of the restoration of the ecological functions. There was

an excellent presentation by Bruce Herbald (phonetic) of

There also is general support for the concept

ecosystem quality objectives and program strategy sections

Also, there is a lot of agreement that this work group has to address the administrative and program structures that are going to be required to carry out this very ambitious program and the kinds of financial and revenue assurances that we need in order to make sure that this program is successful over the long haul.

I just wanted to share with you some of the specific comments that came up at the last meeting with regard to the draft plan. There was some concern expressed

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If not, good report.

Ecosystem restoration work group. Mary.

MS. SELKIRK: The ecosystem restoration

CHAIRMAN MADIGAN: Oh, yes.

work group has met twice so far, most recently about a week

ago.

Other questions?

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The purpose of this group, which constitutes both members of BDAC and also invited participants members of the public that we hope reflect a broad range of stakeholders is to advise BDAC and the CalFed staff on the overall ecosystem restoration vision for the Delta and the specific habitat improvement requirements for restoration of healthy ecosystem function.

We have engaged in informal discussion on both technical and policy matters and concerns and the focus of our discussion has been a draft ecosystem restoration strategy which the CalFed staff had been working on night and day for the last several months.

I don't know what iteration they are on now but probably third or fourth at least at this point.

And I'd appreciate comments from any of the BDAC members who are on this work group as well. We have, I would safely say, we are close to developing consensus on

23 two things.24 One, the single comprehensive ecosystem

25 restoration vision across all alternatives, which, you

Page 140 by Lee Lehman who is sitting to my left as a BDAC member

2 that the restoration plan really needs to address all

3 aspects of ecosystem restoration, which has to include all

4 species in addition to fish. The fish voices tend to be

5 loud and clear and there was concern expressed that the 6 restoration plan address all terrestrial and plant species.

6 restoration plan address all terrestrial and plant species.
7 Also, there was concern expressed that the plan

Also, there was concern expressed that the plan needs to be more specific on how species of special concern will be addressed in the short-term, and some other comments about the need for a better description of ecosystem function than adaptive management.

And along with that a more detailed discussion of the potential effects in the ecosystem of the different proposed water operation alternatives that the CalFed Program is looking at.

So still to be addressed are two or three very substantive areas.

The first is what -- whether there can be consensus reached in this group on the suite of indicators that are connected to the identified ecosystem function -- functions that are necessary for a healthy ecosystem and the targets to address those indicators both in the short and the long-term.

We just began that discussion at the last meeting.

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1 The source paper that we looked at was a 2 document that was just published about ten days ago, the 3 finding -- the proceedings of two ecosystem indicators workshops that were held by EDF and the Bay Institute and 4 UC Berkeley for EPA and for the CalFed Program. 5 6

Those were Workshops that happened in October and in January.

They just got there report out about ten days ago.

The CalFed draft plan includes a fairly detailed matrix which tries to link ecosystem functions by habitat type and geographic location and the comments from this last meeting will be integrated in the next draft that the CalFed staff will be releasing to us before our next meeting.

So we have before us, I think, some of the thorniest parts of the restoration program and, that is, discussion of target levels and of indicators and discussion of the -- and consensus on the necessary programmatic structures that we need to support and monitor the program.

This discussion will also address some of the specifics of phasing of the ecosystem restoration program which has been an issue that has been raised by a number of people in the work group.

strong consensus among not only BDAC members but among all 2 of the stakeholders.

3 So we are going to be doing some heavy duty 4 discussion in the next month or so.

5 Our next meeting is on June the 26th. It will 6 be here in Sacramento and, of course, everyone is welcome 7 to attend that and put in their two cents.

CHAIRMAN MADIGAN: Excellent report.

Questions?

Eric.

MR. HASSELTINE: This morning Steve Yaeger presented his evaluation of all the various alternatives relative to the solution principles and on the chart he put up there under ecosystem he had a common programs.

In other words, there was going to be a program developed that was going to be common to all of the alternatives.

Is that the same thing as this draft restoration plan you are talking about?

21 MS. SELKIRK: Yes. Yes.

CHAIRMAN MADIGAN: Rosemary.

23 MS. KAMEI: Yes. I was just curious if 24

when you're looking at your key indicators is there a general consensus as to what is going to be the measurement

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Obviously, the discussion of the administrative structures will go well into -- will carry us on well into Phase II during the EIR and EIS process.

So just a couple of final comments, I think that as we address this tough issue of quantifying targets for key indicators. I want to say that there is some agreement, I think, on the CalFed staff that the Delta can never be restored to a premanaged -- prehuman intervention condition.

As one of the fisheries biologists pointed out, in his estimation the Delta has been managed by humans in one way or another for the last four to five thousand years, but what we are still faced with is that in order to restore a healthy function in the Delta what mosaic of habitat restoration are we talking about and at what level of effort?

So that's obviously an extremely tough issue that we are going to grappling with.

Also, a concern that I have as a member of this group is how -- whether we are going to be able to come to some kind of consensus in a timely fashion that is going to parallel the refinement of the alternatives.

I think that there has been some real concern 24 expressed that the alternatives as they are refined three to five are really grounded in a restoration plan that has Page 144

1 to indicate as to whether or not you've achieved a healthy

2 ecosystem? Is that what you're referring to?

3 MS. SELKIRK: That's an excellent

4 question. I think there -- and the subject of much debate

5 in this group and other members of the work group may want

6 to comment on that -- the whole premise I think of adaptive

7 management -- I'm not an ecologist by training -- but the

8 whole premise I believe of a adaptive management strategy

9 and the challenge I think that we are faced with is both

10 that there are some immediate crucial restoration needs

11 that need to be addressed immediately in the Delta, but we

12 also have to look at -- looking through the lens of what

13 the vision is that the CalFed program has devised for a

14 healthy ecosystem, how do we know if we've gotten there and

15 how do we ensure that the actions that are being

16 implemented are being monitored in such a way that we can

17 tell whether or not they are actually doing what they are 18 supposed to do.

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So some of these are very, very technical matters that are I don't think within the purview this group and I think that also those kinds of issues will also be a very substantive part of Phase II as is the EIR is

23 developed and people on the CalFed staff may want to

24 comment on that.

MS. KAMEI: My other question is I notice

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in our packet we received information regarding an 1 EXECUTIVE DIRECTOR SNOW: Actually, what 2 ecosystem round-table. 2 we want to have happen is we want current expenditures to 3 I was wondering how exactly that would fit in 3 be consistent with the long-term vision. 4 with the work group? 4 And so projects that will be approved for 1997 5 MS. SELKIRK: Lester, do you want to 5 we would like to see them developed in such a fashion that comment on that? 6 they are consistent with the direction that we are going 6 7 MS. KAMEI: I don't know if Lester was 7 for the long-term program. going to address it at a later point in the meeting. 8 And so it's really two things. 8 9 9 EXECUTIVE DIRECTOR SNOW: No, it would be One is to coordinate with the long-term vision. 10 appropriate to discuss that now. 10 The other is simply to do a better job of 11 It will not take me long. I mean, I think it's coordination of expenditure of public monies to date. 11 12 12 related and yet it's different. And one of the things that CHAIRMAN MADIGAN: Alex. 13 we've discovered as we've entered into this comprehensive 13 MR. HILDEBRAND: In trying to determine whether given implementation plan will achieve a desired program is that there are existing restoration activities, 14 14 quite a number of them actually going on as we speak. 15 level of restoration I'm not clear how you are going to 15 Whether it's the largest of which is the CVPIA 16 deal with the exotic species problem. 16 restoration fund that provides funding to improve habitat 17 17 To cite two examples, it's my understanding conditions or the four pumps agreement that allocated money 18 18 that 96 percent of the fish that are caught at the State for habitat improvement and the salmon stamp program and 19 19 export pumps are introduced species and the question of 20 you can go on and on and there's literally many dozens of 20 shallow habitat where there is no substantial current you 21 21 programs. have these enormous impacts of aquatic species which wiped 22 What has occurred to us within CalFed is that 22 out the turtles and the frogs and the liliopsis and so I 23 CalFed being State and Federal agencies need to do a better 23 don't know how you decide that an implementation plan will job of coordinating all of those efforts so that that money 24 24 achieve your objective unless you can control exotic 25 gets spent in the most efficient fashion possible to 25 species. Page 146 Page 148 MS. SELKIRK: I think that's an excellent 1 1 improve overall health of the ecosystem and that probably 2 needs to be done with maximum coordination with what we are 2 point. 3 I don't know if that's been specifically 3 doing in this program. 4 addressed in the plan but I think that it has to -- and So to accomplish both of those things CalFed 4 has set out to establish -- well, two things; to have a 5 you've mentioned this at numerous occasions today and I 6 position of restoration coordinator but more importantly 6 think that -- a really central part of this program for the stakeholders to establish a restoration round-table 7 has to be what -- how the problem of introduced species is 8 8 going to be dealt with, not just in the ecosystem where stakeholders, affected parties can participate with 9 9 restoration. It seems to me that also water operations and State and Federal agencies to help develop strategies to 10 everything else, things that we don't directly of control spend these monies on an annual basis, advisory strategies. 10 11 over, ballast water monitoring and all of that. And so to accomplish that and assure 11 12 12 integration with our process we are proceeding to set up an MR. HILDEBRAND: But even the species that are already here --13 ecosystem round-table and to make sure we have proper 13 14 14 overlap we want whoever chairs that round-table to be on MS. SELKIRK: That's true. 15 15 MR. HILDEBRAND: - still expanding. Mary's committee so that we are getting the integrations CHAIRMAN MADIGAN: All right. 16 between actions that are taking place today and the 16 17 17 long-term vision that's necessary to have an overall Other questions? 18 healthy ecosystem. 18 All right. Thank you very much, Mary. 19 19 CHAIRMAN MADIGAN: Ann. The third of the work groups that's already 20 MS. NOTTOFF: so the round-table in 20 been appointed is the water use efficiency work group 21 essence then would be conducting baseline ecosystem 21 chaired by Judith Redmond. Judith. 22 restoration, I mean, things that would have already been 22 MS. REDMOND: Our work group met for the 23 23 going on? first time last week.

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They are not going to be looking at the

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long-term solution?

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It was a meeting of like Mary's of BDAC members

plus invited participants to represent sort of a broad

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section, cross-section of the stakeholders and the purpose of our work group is to address different ways of increasing the efficiency of water use, and reducing the 4 demand for water in order to increase the flexibility in the Delta system.

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And we decided to start by looking at some of the elements of water use efficiency that had been proposed by CalFed staff and potentially address other ways of increasing water use efficiency or reducing demand and there were some that were even suggested today.

But in the alternatives there is the urban best management practices. There is agricultural water use efficiency management practices and there's water recycling and there's various kinds of ag land retirement, permanent and temporary.

And so we used this first to flesh out what some of the issues involved were going to be so that we could develop some sort of a work plan to address some of those issues and think about some of the policy questions.

Just there were a couple overview points that were made at the first meeting that would have to do with any approach to water use efficiency.

One of them, the point was made by several different people at several different points in the meeting that water quality improvements would go hand in hand with

we would endorse and there was discussion about, well, 1 2 there still would need to be perhaps some incentives for water conservation, regulatory or otherwise, you know, 3 4 financial perhaps.

5 Some work group members felt that the -- that increased -- that it shouldn't be totally voluntary, that 6 7 there should be some targets, some target goals, but there were also water users and agencies that were at the meeting 8 that clearly were in favor of the idea of a lot of local 9 10 flexibility.

There were some questions about whether that then meant that they would -- I think a lot of the water users saw this as a way to -- that they perhaps wouldn't conserve water as much as perhaps become involved in water markets. So I think there might be more discussion on that whole question of local flexibility versus incentives versus regulatory goals being set.

Another cross cutting discussion that took place was the -- something that came up a little bit today and that was the question of some sort of analysis regarding costs versus benefits, and needing to make the benefits clear to everyone of any goal that might be set.

We then went through each of the elements that had been proposed in the alternatives, you know, the urban best management practices, the efficient water management

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improvements in water use efficiency, the point being that if the water is purer and cleaner, it will stretch a lot further.

And this point was made by people talking about water recycling, that they needed, you know, water of -- that wasn't highly saline because then it would be less expensive to recycle it.

It was also made by folks who were talking about drainage water in the San Joaquin Valley.

So I think that the water quality issue will probably be discussed by a water group to some degree.

Another overview issue that was discussed quite a bit by this group was the -- sort of the approach -- the approach that was presented here today is -- and that was discussed at the meeting is that perhaps there should be local flexibility in responding to specific conditions, 16 specific, say, either goals of water conservation that 18 might be set or just specific conditions of a certain amount of storage or certain conveyances that might be set up in an alternative and that would present water users in 21 agricultural or urban agencies with conditions that they 22 have to respond to.

And so a lot of discussion took place about whether there should -- whether that would work, whether local flexibility in meeting conditions was something that

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practices, the temporary and permanent ag land retirement 1 2 and water recycling that had been proposed in the 3 alternatives as the elements of water use efficiency 4 programs and we tried to flush out what would be some 5 policy questions involved in each of those elements.

And I think in summary one question that I think came up under each of those elements was what would be the range of water savings that would be possible, some, you know, questions about what were the goals? That they would probably be a range and how could we quantify them.

Another thing that came up in each of those elements was what would be the range of practices that would be included?

For example, under urban best management practices would there be additional practices that would be included besides the ones that are already in the MOU. Same thing with the ag, and with land retirement I think there was a concern that there might be other methods and other options for managing land in addition to retirement or fallowing that should be considered.

So sort of the range of definition and practices that would be included was something that was -- that came up under each of those elements.

And then under each of those elements there was a whole range of questions that you could summarize in

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terms of implementation issues. How would this work, would you have to consider all of these other complicating factors, how could we -- for example, how could we improve the implementation of the urban best management practices.

Under ag management practices, you know, there were issues that came up earlier today, like how should goals for ag water conservation be seen in the context of existing regulations that already reduce water deliveries to some agricultural regions. That was brought up several times and they were thinking about CVPIA and under water recycling there were questions about the constraints upon the use of reclaimed water.

So all of these issues came up and I think what — this was helpful in the sense that it provided a little bit of an overview of a work plan and how we would move forward in addressing some sort of overriding policy questions. I think that I had some of the same questions that Mary did in terms of timing.

This whole program is moving forward as several people have mentioned here a number of times quite quickly and based on the schedule of the meetings and the plan for reducing the number of alternatives and so forth there is not going to be a lot of meetings of have any of the work groups in order to come up with any real substantive recommendations before a lot of major decisions have been

established and that's a work group on assurances, and I've
 asked Hap Dunning if he would agree to chair that work
 group and to help organize it, and he has agreed to do so.

It is Hap's intention to call a first meeting of that assurances work group between now and the time of our next meeting and although he won't be at our next meeting that first meeting of his work group would give an opportunity for a report at our next meeting.

Thank you, Hap, for agreeing to take that task

Those of you who would be interested in serving on that work group and just you could hardly avoid the notion of how significant it is because all of you that spoke this morning seemed to imply somewhere in there that "But how many I going to know this for sure"?

So I think that the work group's going to be important to a lot of you and those of you who wish to serve on it feel free to get in touch with Hap or Sharon and we'll make appointments and fill it out.

Again, thank you for agreeing to take it on.

All right. That completes item number six.

Before we go on to item number seven we are going to go ahead and take about a ten minute break for everybody to get up and stretch and all of those sorts of things.

It is 2:42. We'll be back at 2:52.

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made.

So I think we are -- in our work plan for this work group we're going to have to really frame the issues and focus the work in such a way that it can be as useful as possible and perhaps also not raise too high an expectation of what can really been done in a short time.

Our next meeting is going to be on June 27th in the afternoon here in Sacramento, one o'clock to 4:30.

CHAIRMAN MADIGAN: Very good. Questions? Thank you, Judith, tough issue, nice start.

Oh, Bob, I'm sorry.

MR. RAAB: Lester, I'm wondering if these various committees would have a role to play in Phase II?

EXECUTIVE DIRECTOR SNOW: Actually, I think the most significant role is -- going on into Phase II is part of the refinement of the components and I think we are just getting started and it helps us in some of the

Phase 1 issues but in my mind the most important aspect of these work groups is in Phase II.

these work groups is in Phase II.CHAIRMAN MADIGAN:

CHAIRMAN MADIGAN: Thank you, Judith.

Before we go on I'd like to thank the contributors to the Mike Madigan/Ed Petry six pack fund. I certainly can't think of a better use for your hard earned money.

I'm going to ask that one more work group been

Thank you.

(Whereupon a recess was taken at 2:42 p.m., after which the following proceedings were had at 2:55 p.m.:)

CHAIRMAN MADIGAN: All right. I have been asked to let you know that in the finest traditions of this organization that Hap has already scheduled the first meeting of the assurances work group.

It will be on the 2nd of July and he's already getting volunteers for the committee, including Rosemary and Alex off of this -- off the BDAC.

George, I understand, has volunteered as well and others of you as you have an interest.

It also goes without saying that anybody on the BDAC is welcome to sit in on any of the work group meetings any time and, certainly, there are opportunities for those of you in the audience to do so as well.

Item number 7 on our Agenda this afternoon is an overview of other key issues.

Mr. Snow, do you want to introduce anything or -- just move into it?

24 EXECUTIVE DIRECTOR SNOW: No, we can move 25 into it. I already mentioned the effort on the ecosystem

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Page 157 round-table.

2 We will be proceeding with that and keep BDAC apprised of anything that is going on in those activities 3 and again it is our intent that the Chairman of that group would be part of Mary's group so we've got sort of overlap 5 in coordination and we'll keep BDAC apprised of those 6 efforts. 7

CHAIRMAN MADIGAN: All right. Thank you.

The next item up then is under item number seven is a review of San Luis Drainage Issues and Mike Delamore from the Bureau of Reclamation is here to provide a status report.

Mike.

BDAC MEETING

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Thank you.

MIKE DELAMORE: What I had thought I'd like to try to do is just give a little bit of background and a little overview of a few of the things that are going on with respect to drainage in the San Joaquin Valley.

I'd start off with a graphic that kind of 19 20 depicts the problem a little bit. This is a picture of one year in time. These numbers were calculated by (inaudible) 21 22 Lenny based on 1990 water deliveries and it shows the salt 23 inflow in just the surface water deliveries into the Valley and the sub-areas you see on this map are sub-areas defined 24 25 by the San Joaquin Valley drainage program.

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The numbers are in metric tons and it's not so much the numbers that I wanted to know but just to illustrate that there is a large amount of salt coming into the Valley. Down in the southern part of the Valley in the Kern and the Tulare sub-area which are State Water Project service areas.

There are a few subsalts that are being stored in evaporation ponds but for the most part the salt is being stored in the soils and the shallow groundwater.

In the Westlands sub-area there are no active evaporation ponds so all of the salts are going into the soils and shallow groundwater.

And then as you move north into the grasslands in the San Joaquin River basin you run into a little bit of a different situation in that there is some salt outflow, obviously, through the river and again I don't want to focus too much on the numbers there, the 770,000 tons is the number for 1990 at Vernalis that includes flows from the east side.

And then compounding problems dealing with any efforts to deal with those salts are areas in the Valley of high selenium concentrations in the shallow groundwater which find their way into any tile drains or any drainage systems that are put in. I apologize. Those colors don't show up very much.

There is a long history, obviously, to the 1

2 drainage problems in the Valley and I won't go into that.

3 I'll just mention the 1960 San Luis Act included as a

4 project feature an interceptor drain that was intended to

take drainage water north to the Delta.

Chip's Island in the Delta.

6 There has been a number of efforts over the 7 years. There was an inter-Agency effort in the 1970's that 8 looked at the drainage problems and came up with a 9 recommendation to complete San Luis drain to a point near 10

The Kesterson situation arose in the early 1980's and another inter-agency drainage program was formed to look at the Valley and I want to spend a couple minutes on that because that is the most comprehensive effort to look at drainage problems and solutions in the Valley.

The San Joaquin Valley drainage program operated from 1984 to 1990 and in 1987 not quite halfway through the course of that program a decision was made to focus solution sets on in Valley actions that could be taken rather than exporting salts out of the Valley.

So the drainage program looked at the amount of -- based on the data at that time, the amount of water in excess of crop requirements that was being applied throughout the Valley and it came up with a budget of approximately nine tenths to 1.05 acre feet per acre.

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1 Of that amount approximately three tenths of an acre foot made its way down across this boundary, corcoran 2 3 clay layer that underlies the Valley and .3 feet per acre 4 also corresponds to the leeching requirement to keep salts 5 moving out of the root zone.

So basically they came up with about six tenths to seven and a half tenths of an acre foot of what they defined as problem water that needed to be dealt with and managed.

Their recommended plan identified a number of actions that could be taken to manage the drainage problem in the Valley.

Again, you have approximately three tenths of an acre foot of problem water that would move through the corcoran clay. They estimated that improved irrigation technologies, a more efficient water use could take care of approximately two to two-and-a-half tenths of an acre foot of water and that left approximately four tenths of acre foot of drainage that was required to be managed and they formulated a number of management solutions to deal with that four tenths of an acre foot.

Among these only discharge to the San Joaquin River -- or in common to all of these is there is not really identified a final sustainable destination for the

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I'll talk about some of these in just a little bit as we go through, but I'd like to kind of jump forward to some of the things, and this is just a partial list of some things that are going on that are related in one way or another, directly related for the most part, to drainage problems in the Valley.

First off, there is a structure -- there is a continuing program. San Joaquin Valley drainage implementation program structure, that exists as an outgrowth of that inter-agency program and it consists of four Federal, four State agencies, USBR, Fish and Wildlife Service, USGS, Natural Resource Conservation Service, the former Soil Conservation Service and DWR, Cal Fish and Game, State Board, California Department of Food and Ag.

There's also two committees, a committee of local interest and a drainage oversight committee that are intended to provide input to this inter-agency group and the group has a full-time program coordinator funded by all of the agencies who is DWR employee or housed there.

20 There is also, obviously, a number of things, regulatory type activities dealing with drainage. The 22 Central Valley Regional Water Quality Control Board is issuing waste discharge requirements for evaporation ponds that I mentioned are still operating down in the southern 25 part of the Valley.

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The Regional Board recently updated the San Joaquin River Basin Plan and I understand the next thing on their Agenda is to look at salinity management in the San Joaquin River.

Challenge grant program is a program that was initiated a couple of years ago. It provided 50 percent Federal matching funds to try to stimulate and initiate the implementation of some of those drainage program recommendations. I'd like to just mention one of those in particular, the concept of reuse was a major component of the drainage program recommendations for management of the drainage water.

The reuse or agro-forestry concept was the idea of applying incoming water to salt sensitive crops and then successively reusing it on more salt tolerant crops ultimately collecting a small amount of more concentrated drainage water that would then be easier to manage in one system or another.

One of the challenge grants that was -- there was actually a couple of challenge grants that focus on trying to advance this concept.

One of them is in operation on Red Rock Ranch in Westland's Water District and this is kind of a layout of that experiment or that demonstration wherein the general slope of the land is to the top right.

Page 163 There is a row of eucalyptus trees that try to

1 2 intercept inflowing high groundwater, fresh water to successively reused, ultimately put on more solid tolerant 3 crops and eventually collected down to about 13 acres of 4 5 eucalyptus trees into halophytes and finally about, it 6 doesn't show but about one, almost two acre more or less 7

dry evaporation system.

The Bureau has recently hired a program manager in setting up a program office in our Fresno office.

As of a week or two ago there is also a team member that's been detailed into that office for -- from Bureau of Land Management.

The concept is to have an inter-agency team to begin to implement that program.

There is also as you're, I'm sure, aware, a State program and we are coordinating activities with that.

San Joaquin basin action plan is included within CVPIA. That deals with one of the drainage program recommendations with respect to providing fresh water supplies to wetlands in the primarily the grasslands area. Water conservation criteria include requirements for districts in drainage problem lands to address source control activities.

Interim use of the San Luis drain is better known or is renamed as the Grasslands Bypass Project looks

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1 to also remove poor quality drainage water from channels 2 within the Grasslands water district and there is some

3 steps associated with that program with respect to reducing

4 selenium loads delivered to the river and it also will

5 facilitate efforts that are ongoing with respect to 6

real-time water quality management in San Joaquin River.

Finally I'd just briefly talk about litigation. There has been a whole history of litigation associated with the drainage issues in the Valley.

The motion recent has become known as the Sumner Peck. That was initiated or brought in 1992 by a group of landowners within Westland's Water District suing for failure to provide drainage.

It was consolidated with another ongoing suit brought by the exchange contractors and in 1993 there was a partial summary judgment issued by the eastern district court in Fresno, Judge Wanger, who found in that summary judgment that the San Luis Act provided an obligation on the secretary through the Bureau to provide drainage, not a mere authorization, and subsequently it remained to be determined at a trial whether that obligation had been excused.

As a result of that trial an order was issued in March of 1995, which directed the secretary through the Bureau to take reasonable and necessary actions to promptly

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prepare, file and pursue a discharge permit in order to 2 complete the San Luis drain to the Delta. 3

The Bureau subsequent to that order -- the Department of Justice has appealed that order but the effect of the order is not stayed.

The Bureau sent a letter to the State Board requesting guidance on preparing a discharge permit.

The State Board held a Workshop in April and adopted a resolution in mid-April which basically directed its staff to negotiated terms of reimbursement for staff time spent on processing a discharge permit, and upon successful negotiation of a reimbursement agreement directed staff to develop a work plan for processing a permit application and it further goes on to say that the staff should use the NEPA/CEQA process to identify the project parameters and features and provide the information that would be necessary for the Board to make a ruling on a permit.

So that's where with respect to that litigation things stand today.

Again, as a result of the appeal there were mandated -- court mandated or court mediated settlement discussions. Those are ongoing.

24 In response to the State Board resolution we have met with State Board and with Westland's Water 25

that we looked at was in -- back in the '70's, as I

- 2 mentioned, there was an inter-agency drainage program that
- looked at various alternatives for discharge locations for 3
- a drain, and it was recommended -- a site near Chip's 4
- 5 Island was recommended and there was process ongoing then
- to prepare an EIS and to apply for a discharge permit and 6
- 7 the State Board issued guidance at that time and they
- 8 indicated that for bioaccumulating substances there would
- 9 be no pollution ratio provided and so to us that meant that
- 10 for selenium, for example, the discharge, the effluent
- 11 limit would be the receiving water standard, which
- currently is five parts per billion and so, you know, in 12
- 13 our estimation treatment technologies, affordable treatment
- 14 technologies to reach five parts per billion is very 15 questionable.

And so from our standpoint that criteria would make it very difficult, if not impossible to obtain a discharge permit.

19 MR. HILDEBRAND: That would only apply to 20 those drainage waters that have the higher levels of 21 selenium?

MIKE DELAMORE: That's right, and the information we have to go by is from 1978 to 1985 there was approximately 7,000 acre feet per year of drainage water

that originated just south of Mendota in Westland's Water

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District. Westland's Water District has indicated a willingness to consider financing these efforts and that's where things kind of stand with that.

I'll stop and try to respond to any questions or go into any more detail that we might require.

6 CHAIRMAN MADIGAN: Let me ask if there are questions by members of the BDAC?

Tom.

9 MR. GRAFF: One on the financing of the 10 permit application, does that mean Westland's will put up all the money?

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12 MIKE DELAMORE: That's what's under 13 discussion, yes.

14 MR. GRAFF: Secondly, does the Bureau have a judgment as to whether there is any threat to the Delta 15 from building the drain. 16

17 MIKE DELAMORE: Well, we argued at trial 18 that the obligation that Judge Wanger found the San Luis 19 Act placed upon us should be excused due to impossibility, 20 and that argument -- it didn't hold sway.

21 So I think, you know, it's a question 22 of -- well, I don't know. That's all I'd better say.

23 CHAIRMAN MADIGAN: Do you want to help me 24 out here, Tom?

MIKE DELAMORE: Well, one of the things

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District and the average concentration of that drainage

2 water was about 300 parts per billion.

3 If you look at hooking up the entire Valley, 4 going back to that map, there is a lot of areas that 5 aren't. So what a final concentration would be if all 6 drainage water were leaving I couldn't authoritatively say.

CHAIRMAN MADIGAN: Tom Maddock.

8 MR. MADDOCK: That's a very good 9 presentation and I presume we'll get a copy of it?

CHAIRMAN MADIGAN: Is there a copy of a

11 presentation?

12 MIKE DELAMORE: I'm sorry, I didn't bring

13 copies.

> CHAIRMAN MADIGAN: Well, we could get copies of the overheads and make them available or something like that?

17 MIKE DELAMORE: I'd be glad to. 18

CHAIRMAN MADIGAN: Yeah, because I agree that was helpful.

20 MR. GRAFF: I've got a question of

21 Lester.

22 What are we going to do about this subject? 23 IN UNISON: Yeah.

24 EXECUTIVE DIRECTOR SNOW: Well, after the 25 Bosnian issue is resolved -- well, in a general sense as I

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responded to Ed Petry, I mean, we have the drainage issue 1 in our program because it's a water quality program 2 3 particularly for the South Delta that has to be addressed and I guess what we are looking at now is what kind of a 5 combination of things that Mike presented here, that

include retirement and the other practices are being tried to reduce the impacts.

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In terms of the drain issue, if that's what you're referring to, I mean, if there is a proposal to proceed with the drain, that would have dramatic impacts on water quality in the Delta system that would have to be addressed in this program. There is no question about

And I think we have evolved a great deal since the drain was conceived of and there is a lot of other issues that have to be dealt with and the impact of those drainage constituents in the Delta or even at Carquinez would be significant and would have to be dealt with.

CHAIRMAN MADIGAN: Alex.

MR. HILDEBRAND: When you refer to an impact of the drain, that's not at adverse impact. It would have an enormous benefit in the South Delta and the

23 Central Delta to get rid of that stuff that's coming down

24 the river because as we discussed at our last meeting a

25 large percentage of the salt load which originates from the

Delta, comes back down the river and is the cause of the salinity problem in the San Joaquin River and the southern half of the Delta.

So if you bring it down to a drain and put it in the western Delta it's controversial whether it would hurt the western Delta but it would certainly benefit the rest of the Delta.

EXECUTIVE DIRECTOR SNOW: Yeah, the issue is when you're looking at the Bay-Delta system as a whole. simply relocating the pollutant doesn't solve the problem. It simply makes it a problem at a different location so that's the issue that would have to be addressed.

But I think the more practical issue in the near term is looking at drainage management programs to reduce the drainage.

MR. HILDEBRAND: The only way you do that in the long run is to put that whole segment of agriculture out of business.

CHAIRMAN MADIGAN: Mike.

20 MR. STEARNS: I just want to say I concur 21 with Alex about the enormous benefits for water supply as 22 well as the drains all the way up to the upper part of the 23 San Joaquin but the Bureau's obligation to seek a permit, 24 and maybe I missed this, but does that require you to look 25 for a suitable discharge or is that applying for a permit

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at the former recommended location at Chip's Island? 2 MIKE DELAMORE: As part of the -- any 3 discharge permit application would require NEPA so -- I mean, I don't know how to answer you in terms of the 4 5 Judge's order but in terms of the process, yeah, I mean, we look at all of the alternatives. 6

It would require looking at the entire spectrum of the alternatives.

MR. OTTWALLER: My name is Steve Ottwaller (phonetic), Westlands Water District.

I need to address a couple of things here, comments that have been made and questions that have been asked. I think it's rather an unfair to ask the Bureau whether they form an opinion as to whether or not there is an impact of the drain on the Delta and, Lester, you may have jumped to some conclusions about the impacts of a drain on the Delta.

What has been asked of the Bureau and indirectly of those who need the drainage service is to evaluate through the NEPA CEQA process whether or not a drain can be built and whether or not that can be done in a environmentally sound manner and to jump to a conclusion that it would cause great impacts I think is a conclusion you can't reach right now because you haven't done the studies.

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1 The reason that Westlands prevailed in court with regard to not excusing the Bureau from even proceeding 2 3 with the permit application and the basis on which we made 4 arguments to the State Board included some very good, we 5 believe, scientific review of what can be done in terms of treatment and what can be done in terms of dilution and 6 discharge and doing it in a manner that's not 7 8 environmentally unsound. 9

So I just wanted to comment that I don't think it's fair to assume that if there is a drain it's going to cause problems because in fact just the opposite is true.

It could only happen if it could be demonstrated that it wouldn't cause problems. That sets aside the political issues of whether or not it could ever be done, but we believe that the scientific basis on which it could be done does need to be evaluated in the same way that we are evaluating a lot of alternatives under the Bay-Delta process, under a NEPA CEQA process.

CHAIRMAN MADIGAN: Thank you, sir. Any other questions?

21 MR. GRAFF: I have a question. CHAIRMAN MADIGAN: Mr. Graff.

22 23 MR. GRAFF: Was Mr. Delamore accurate in 24 saying that Westlands is going to pay for all the costs of 25 environmental review and permit application for having this

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drain application go forward?

MR. YAEGER: He was accurate in saying that's under discussion with the Bureau in terms of coming

to an agreement as to how to best proceed in getting that 4 5

evaluation done.

MR. GRAFF: And am I right that at the same time Westlands is in Washington trying to excuse itself from obligations to pay for past Bureau costs for

Kesterson cleanup and San Joaquin Valley drainage program 9

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MR. YAEGER: We are trying to get relief 11 12 from some of the costs that we believe are unreasonable and

it should not be assigned to those who never received the 13

14 benefit that was supposed to be derived from the drain and

the Kesterson Reservoir and what we are asking for is not 15 16 inconsistent with what was agreed to by the members of the

17 San Joaquin Valley drainage program some time ago,

18 including, as I understand, yourself.

19 MR. GRAFF: That's correct. 20 Were we at that time contemplating in Valley solutions to the drainage problem in Westlands and 21

22 elsewhere?

23 MR. YAEGER: That was a limitation that

received benefits and how those costs should be

24 was placed on the plan, but the discussion as to who was to 25 pay which costs relative to Kesterson related to who

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Yes, sir? BILL DEWAU: My name is Bill

CHAIRMAN MADIGAN: Thank you both.

Dewau (phonetic). 6

apportioned.

I'd like to ask a question on the slide that you showed on the agro-forestry project.

And first, is that a 640 acre plot or is that

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11 MIKE DELAMORE: It's 640.

I'm trying to find --

13 BILL DEWAU: At 640 acres I presume that collects somewhere around a thousand to 1500 tons of salt a 14 15

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MIKE DELAMORE: You know, I'm not really --I'm not sure I can give you a -- I don't know.

18 BILL DEWAU: Well, that's a reasonable

19 estimate, anyway.

> And what my question is it all collects down in what is there the upper right-hand corner of the 640 acres.

22 What is going to happen to it?

23 MIKE DELAMORE: Well, that's a very good 124

question and that's kind of the -- you know, that's really the unanswered question with a lot of these in Valley

management system, is the final destination of the salt, 1

and there's efforts. California Food and Ag is doing a lot 2

of work in particular looking at marketable products that 3

might be derived from some of these salts. 4

BILL DEWAU: Okay. My point is it's kind

of a misrepresentation, I think, to present it as a plan when it really is only a part of a plan.

7 MIKE DELAMORE: No. That's right, All I 8

was illustrating there was among those list of management 9

options that were recommended by the drainage program, the 10

drainage reuse was one option and, you know, I didn't mean 11 to be misleading I just wanted to highlight this one 12

because it's among those things that are going on with each 13

of those elements. This is a promising one with respect to 14 15 the agro-forestry.

BILL DEWAU: Yeah. I didn't mean to be inferring that you were misrepresenting it but the plan itself misrepresents itself. That's what I meant.

MIKE DELAMORE: The plan, I guess I would concur it's in the sense or I tried to make the point that it was an interim plan. It was a management plan. Their planning horizon was 2,040 and it was a management plan that if through all those components the analysis indicated that you could manage the problem through that time period,

but the drainage program report recognizes upfront that at

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some point salt export -- or it recognizes that it does not deal with the final destination of salt.

3 CHAIRMAN MADIGAN: Okay. Thank you.

4 Other questions?

Thank you very much, sir. That was an interesting report. I appreciated the conversation that took place afterwards as well.

Next item on the Agenda is an update on SB 900.

EXECUTIVE DIRECTOR SNOW: Yeah, just a brief update to keep you apprised of what's going on on this bill that could provide funding to Bay-Delta related activities.

In the past month there has been considerable activity with respect to SB 900, specifically in terms of legislative action, that has passed out of committee and has gone to conference committee and in so doing the text has been stripped and it was passed out as a title and so it exists merely as a title, which I would hasten to add is not uncommon for bond bills.

The discussion that seems to be taking place amongst interest groups and stakeholders around this has a concept that, in fact, would provide some specific funding to CalFed Bay-Delta Program. The concept seems to be that the Bill could consist of two parts and part one would be

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related to the things that were originally in SB 900 to 2

provide funding for CVPIA match, category three activities,

- 3 the State revolving fund, drainage management programs and
- some other activities that was in the original text, but
- 5 adding a part two that would provide additional monies in a
- bond bill to implement the core actions, particularly, the 6
- 7 ecosystem restoration activities related to the Cal-Fed
- Bay-Delta Program and the second part would in fact

9 probably be triggered somehow to approval of a certified

10 EIR/EIS on the Bay-Delta Program. 11 12

That, of course, is of interest. We know we will need broad base funding and multiple source funding to implement a program and I just wanted to make you aware of 13 some of those kinds of discussions that are going on and I suspect that these activities will conclude sometime in the next 30 days. I don't know if Steve Hall, who is quite involved with some of this stuff, would want to add something to that basic overview.

MR. HALL: Just processwise the Bill will likely go to a joint Senate and Assembly conference committee. The leadership of both houses has indicated that is their desire. The conferees have not been named but it is likely there will be something like three from each house. I think the only sure bet is that Senator Costa will be one of the conferees and it will be up to the a work plan to work through all the issues related to water

2 quality and before we have a report from John Gaston, who

3 is kind of heading up that effort for us, I wanted to also

4 tie in some of the efforts that we are going to need to

move forward with on the ag water quality front and also 5

6 the ecosystem water quality front.

We discussed that briefly earlier but we will be moving forward to try to bring together some informal work groups to try to set criteria in each one of those resource areas to then work with the urban drinking water quality experts to bring some integrated and comprehensive set of criteria to bear on the problem.

But at this point I'd like to introduce John Gaston, a member of our consulting team who is heading up the effort. He's going to talk a little bit about some of the elements of the work plan that we are developing to deal in the water quality area.

CHAIRMAN MADIGAN: Thank you. Mr. Gaston, nice to see you again.

JOHN GASTON: Nice to see you, sir.

Last time I was here I gave you a short overview and a one page handout about water quality issues in the Delta. We talked about the problem with bromide from seawater intrusion and the problem with total organic carbon from island drainage. That still pretty much sits

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leadership to name the others.

The preliminary schedule for the conference committee is for them to begin meeting on June 10th and to meet twice weekly, Monday and Wednesday evenings, until they're done, and they'll be done when they have enough votes in the conference committee to report the Bill out.

It will then go to the two floors and hopefully will be concurred upon. The discussions that Lester indicated regarding part two of the Bill are critical to getting that critical mass of support in the legislature so we are working very hard to try to create that critical mass of support.

CHAIRMAN MADIGAN: Thank you.

Questions?

All right, thank you.

Moving on to water quality technical issues to 16 17 be introduced by Mr.Yaeger.

Steve.

MR. YAEGER: Mr. Chairman, at the last meeting we gave you a brief overview of our plan for dealing with the water quality issues.

22 This ties with our presentation this morning of 23 a common plan for water quality. I just wanted to report 24 to you that we have met on an informal base with a group of urban water quality representatives and started discussing

as it is right now.

What we've done now is we've identified various interests groups because there are at least four specific water quality issues within the Delta in the geographic sense. In other words, what's a problem in the north Bay aqueduct is not a problem in the State project and what's a problem at DMC may not be a problem at Contra Costa so one size doesn't fit all.

These groups notably started and led by the California urban water agencies are forming their own internal work group to review the alternatives and come back to us and say we've looked at these and here is what the problems are.

We are moving forward in identifying similar interest groups in North Bay Aqueduct, Contra Costa Water District is parted of CUWA and State water project and DMC areas.

It's significant to note that there are different water qualities depending on where you are in the system. If you're on the South Bay aqueduct and you're Alameda County or Santa Clara Valley, you take it right out of the Delta and that's what you get.

If, however, you're south of San Luis you have a blended supply that may be blended in the reservoir and there may be some additional quality problems there and if

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Page 181 you're in the North Bay aqueduct area you have some drainage problems that you don't see anyplace else so there's a white variety of those kinds of things. I might say that in reference to the gentleman

from the Bureau's comment about treatment I would have to agree that there are treatment options available, the operative question here is it affordable treatment. That's all. I'd be happy to answer any questions.

9 CHAIRMAN MADIGAN: Questions of 10 Mr. Gaston?

11 Thank you, sir. Appreciate your being here.

> I'm sorry, excuse me. Rosemary. MS. KAMEI: My question I guess is more

for Steve. 14

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Earlier when he was talking about water quality I was wondering if there was going to be a distinction as to drinking water quality which the urbans, the CUWA group has done a lot of work on and the other two groups, which is the ag water quality and the ecosystem water quality and

19 20 I was wondering where those two were going to be going. 21 MR. YAEGER: There -- our plan right now 22 is to have three separate groups working independently, the 23 urbans are kind of well ahead of the game at this point, 24 have some pretty good criteria developed. John's going to 25 be working with them to craft that further. We are going

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to move into separate groups in the ag water quality to try to define criteria there as well as another separate working group on ecosystem water quality to define those needs and criteria.

I think once we get all of those laid out on the table then we'll be bringing all three of the representatives from all three of the groups together to try to work out those common linkages between the interest areas and if there are conflicts, we'll need to try and work out criteria that are compromised or between the interest areas or able to at least bridge the common problems.

MS. KAMEI: Okay.

So you have already identified which of the individuals that will be addressing those different groups, whether it's the ecosystem, water quality issues or the ag, for example, the drainage issues, as to who is going to be doing that work?

MR. YAEGER: We've met informally with a group of urban drinking water experts to talk through a work plan and John is developing that work plan. Once that's developed we'll come back and re-initiate those discussions and see whether there are additional representatives that need to be brought into that part of the program and simultaneously we'll be moving forward on

the ag work group to try to identify initially some people 1

2 to talk to there to try and work up a work plan there and

3 similarly on the ecosystem area.

4 MS. KAMEI: And is there a timeline where 5 we would get information as to how it's he going because I do know that CUWA has done a lot of work but the other 6

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7 groups have not.

8 MR. YAEGER: Yeah, I think our plan is to 9 report back at every BDAC meeting on the progress that we 10 are making.

Like I said earlier, the urbans are well ahead of the game at this point and we need to do some catching up in other areas but we'll be focusing on that.

CHAIRMAN MADIGAN: Thank you. Thank you,

Steve.

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All of you received earlier some information from the combined business roundtable chamber, Farm Bureau. David sent that around to you and we've asked him to tell us about it.

Mr. Guy.

MR. GUY: Thank you, Mr. Madigan.

Now you've all -- members of the council received as Mike mentioned, copies today of the two parts of this maintaining momentum on California water issues.

For those in the audience please be patient.

It was just made available this morning and we have a

pretty extensive mailing list and so I think a large

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3 portion of you in the audience will be receiving that in

4 the next several days.

5 If not, you can contact any of the four 6 sponsoring organizations and we will get anybody who would 7 like a copy.

As mentioned, the four groups are the California Business Roundtable, the California Chamber of Commerce, the California Farm Bureau and the California Manufacturers.

And with respect to the first of the proposals it's Model Water Transfer Act for California, and the question that immediately comes up is, well, what's going to happen with that?

It appears at this point that Senator Costa

will introduce this Model Water Transfer Act as a preprint. That will then hopefully go to interim hearing later this year and will be discussed fully in the broad public view. That is at least the intent of the sponsors at this point.

We have received word yesterday that Mr. Katz has also agreed to co-author that preprint. So there will be nothing introduced at this time. It will essentially go to an interim hearing later this year, hopefully.

With respect to the finance I think Hap asked a

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BDAC MEETING

Page 185 Page 187 real good question, what's it going to be used for. It's 1 available in a packet ahead of time and obviously the 1 2 our hope that the finance paper will be used to stimulate 2 majority of that meeting we'll discussing the draft 3 discussion in the CalFed process. 3 alternatives and also what happened at the Workshop that With respect to SB 900 and the whole process 4 would have taken place on June 25th. 4 that surrounds this notion of financing of Delta solution, 5 Also, we will have updates on the work groups 5 I would just encourage you to read it and to -- I think 6 and other key issues that will have arisen in the 6 there will be plenty of opportunity to discuss the views in 7 7 intervening time. both of these papers. And Tom Maddock has been very 8 Any comments that you want to make sure are 8 9 involved. Do you have anything to add to that, Tom? 9 included in the packet, make sure you get them in ahead of 10 MR. MADDOCK: No, good summary, David. 10 time. You know, we sent out comments from BDAC in the 11 11 MR. GUY: So any questions, please let me packet and we really need those at a minimum of two weeks 12 know and hopefully people will be getting copies in the 12 before the meeting and actually given that that's a holiday next couple of days and if not, please do call and copies 13 in that period of time in July, probably more like 13 14 will be easily obtained. 14 two-and-a-half weeks ahead of time. CHAIRMAN MADIGAN: Thank you, David, 15 Again, I guess the key issue for the next BDAC 15 16 thanks for getting us such early copies. Let me ask if 16 Meeting is simply the draft alternatives at that point. 17 there are -- I'm sorry, Ann. CHAIRMAN MADIGAN: Very good. I have the 17 18 MS. NOTTOFF: I just have a question. 18 names of four individuals who have indicated a desire to 19 Early on we were briefed by Fred Cannon about 19 make a comment during the public comment period. And I'll 20 research there. Is that what this report is? 20 simply call you off in the order in which you have signed 21 21 MR. GUY: Yes, it is. up. 22 22 MS. NOTTOFF: Okay. thank you. Mr. Petry. 23 23 CHAIRMAN MADIGAN: Are there any other MR. PETRY: I'll try to be as brief as I items that member of the BDAC would like to bring up under 24 24 can, Mr. Madigan, and you sure now how to get even. 25 the general heading of other issues? 25 But, anyhow, I'd like to comment a little bit Page 188 Page 186 1 Steve. 1 about my fishing, if I may, and it's in relation to the 2 2 MR. HALL: I just want to let the other Mendota pool and the Mendota Dam. Where I go fishing in 3 Council members know that in the interest of developing a 3 the Mendota Dam on the northwest side just below the dam 4 thoughtful and comprehensive solution to this very 4 there is a hot spot there where I've spent a lot of time 5 difficult problem we have started, Council Member McCarty 5 plugging with lures. and I, have started the Mike Madigan/Ed Petry beer fund, 6 Sometimes I troll, sometimes I use night 6 7 and it's circulating now. It actually stopped at the 7 crawlers, sometimes I use cut bait. Chairman. He may be declining our very generous 8 8 But this hot spot that I had down below the 9 9 contribution, but I would urge you all to contribute so we Mendota Dam on the left-hand side when you're standing up 10 can get this problem solved quickly. 10 on the dam I lost a lot of lures in that damn hole and I 11 In fact, if we get enough, why don't we just 11 couldn't figure it out. I lost X number of dollars in buy three six packs and we can include Tom and solve the 12 12 there before I realized that it was a nonprofit deal, I 13 13 drainage problem at the same time? wasn't catching any fish. 14 CHAIRMAN MADIGAN: Well, that's right, if 14 So CCID decided that they had to make an Nero Wolfe could solve all of his mysteries with a little 15 15 inspection of the dam and they drained the dam and below more beer why can't we? 16 the dam there was no water in the river and damned if I 16 17 All right. Any other items that you would like 17 didn't figure out what the problem was. Somebody rolled a 18 to bring up under this Agenda item? 18 damn old Volkswagen off in the corner of the dam and I'd be 19 Seeing none then we'll move on to a preview of 19 plugging about 12 foot away from it and, dooooom, a fish 20 20 the next BDAC Meeting. would hit it, strike it and run for this one area. 21 Mr. Snow. 21 Well, I finally figured out and -- and 22 22 EXECUTIVE DIRECTOR SNOW: Our next repeatedly these fish have been doing that -- well, what

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meeting, as we've discussed, is on July 19th. Again, if

to you the draft Phase II alternatives, and that will be

things go as planned, that will be the time that we present

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happened was that the damn fish had grabbed a lure and he

up, so that's what happened to me. That's an expensive

was swimming to the Volkswagen and rolled the damn window

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situation. So if they wanted to clean up the Mendota pool
I'd appreciate them taking that Volkswagen out of there.

3 Thank you.

CHAIRMAN MADIGAN: Thank you for that fish

5 story, Mr. Petry.

MS. BORGONOVO: Do you have electric

7 windows?

CHAIRMAN MADIGAN: Is Gary Bobker still

9 here?

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10 Okay, Gary, all right.

Mark Frelier, you are signed up under public comment. Yes, sir, you're on.

MR. FRELIER: Just one quick comment and I'm sure everybody is aware of it but I do hope that the rights of the property owners in the Delta, particularly, will be considered strongly.

We obviously have the public represented. We have a lot of the property right owners from down south and throughout the whole State of California, but I think whatever you are doing will directly impact the landowners right in the Delta itself.

A lot of the owners have enjoyed and participated in some of the Government programs up to now, but I think there is a real concern about how far CalFed may go as to the balance between agriculture and ecology

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and the participation in the levees and the water going through the Delta.

CHAIRMAN MADIGAN: Thank you, sir.

Mr. Ottwaller? Is he still here?

STEVE OTTWALLER: Thank you.

Actually I don't remember submitting my name but I was going to stand up and ask to be heard. Just a couple of brief comments.

9 I do want to say that we are encouraged in the 10 direction that things are moving compared to what they were 11 with respect to some of the alternatives and some of the 12 ideas that were coming through this process with respect to 13 demand management and land retirement. I think there is 14 becoming a realization of what kind of impact that truly 15 would have on a wide number of people, particularly the 16 third party impacts and areas that people may not have 17 seriously considered.

In that vein I do want to remind people that
given the hierarchy of water allocations and where the CVP
ag service contractors stand with respect to getting water
from the CVP we have already given a lot of water to
solving the problems in the Delta, which may or may not
have been caused by the projects, and to suggest that those
who are the first to receive the hit from any other water

supply reductions should have to further provide water to

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the system I think is unfair and it needs to be considered
 very seriously during the process of deciding what needs
 are to be met through the Bay-Delta Process.
 In that light if you really look at the

In that light if you really look at the numbers, there is not — there is not much to be gained, if anything, in terms of determining what you have to provide for in terms of Delta export by taking even the amount of land that could be assigned as part of a water quality problem, taking that out of production, that's not going to reduce the size of what you have to deal with in the Delta.

11 I recognize and clearly support the need for 12 everybody to be comfortable that those who are receiving 13 the water from Delta exports, from any diversions out of 14 the system are using the water wisely and efficiently in 15 the same way that we the water users want to be sure that 16 if water is being provided to the environment, that it's 17 being done in a manner that makes sense and provides some benefits because the bottom line is none of us gain from 18 19 this whole process unless the environment is taken care of. 20 We've seen that. It's a long-term problem that has to be 21 addressed.

But at the same time I guess I would caution against spending too much time trying to figure out how to reduce the size of the project so to speak by demand management or taking land out of production. As Lester

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1 mentioned this morning, the mission is not to solve the

2 California water supply, demand imbalance. It's to deal

3 with the situation that you have in the Delta right now.

Thank you.

CHAIRMAN MADIGAN: Thank you, sir.

6 Is there anybody else who wishes to be heard?

Yes, sir?

8 ARNOLD RUMMELSBURG: Mr. Chairman, my name 9 is Arnold Rummelsburg representing Wheeler Ridge-Maricopa

10 Water Storage District. I'm a member of the Kern County

11 Water Agency and I'd like to follow up on what Steve has

12 said about the efficient water use in the Valley and the

13 State water contractors find themselves, I think in the

14 same position as the Federal contractors, can't afford to

15 be inefficient. Now, there has been a lot of discussion

hear about efficient water use, proper water use. Make

sure that we all get the biggest bang for the buck.

You even have a work group on this, but this looks to me like a sort of a three legged stool, and we have three legs on this stool.

One leg is the urban water users, they have the
best management practices. The second leg is the
agricultural water users and we have efficient water use
programs, but I've heard nothing on efficient or proper

water use for water for environmental purposes. And I know

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this is a difficult thing to quantify but a problem is no 1 less a problem because it's difficult. 2

I think that that ought to be included in the program. This is not the first time it's been brought up. As a matter of fact, at your February 15th meeting I

believe Steve Hall brought the issue up --

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7 MR. HALL: Now everybody knows where I got the idea. 8

ARNOLD RUMMELSBURG: Well, it wasn't from me directly, Steve. 10

But I really believe that for all of us to be comfortable with what ends up in this program all of the aspects of water use need to be treated equally, and there have been times that we know of that water has not been used very efficiently.

I can give you one specific example.

Many years ago -- I don't know if Pete's still here or not -- but about 20 years ago there was a fish test, the Department of Water Resources conducted a fish test, 1976, as I recall. 200,000 acre feet of water were released from Orville to see what would happen to the fish. I asked at the time if anybody had made any evaluations to see what would happen if 1977 were a dry year, and I didn't really get an answer from the department. We learned that the fish test was inconclusive.

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We also found out what would happen when 1977 was a dry year, and I don't know the exact number but I know the State water contractors would have dearly loved to have had even a portion of that water that ran out into the ocean.

So I think it's important that for all of these uses, for environmental water uses, for fish uses, that there be some effort to determine how that water is used. sufficiently used, is it really needed, and that has to be the third leg of the stool.

11 CHAIRMAN MADIGAN: Thank you, sir.

Yes, sir?

words around here.

ALAN WILHELMY: Good afternoon, my name is Alan Wilhelmy and I'm a member of the California Striped Bass Association and I'd just like to take a minute to emphasize a concern that my organization raised recently in a letter to the program.

17 18 And, that is, that in the report on the ten 19 draft alternatives there is an activity referenced to 20 conduct a pen raising program to supplant natural 21 production, and when I last checked my Webster's dictionary 22 supplant is defined as "to take the place of, to supersede, 23 especially through force, scheming or treachery." 24 CHAIRMAN MADIGAN: Those are all good

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1 ALAN WILHELMY: We hoped that that was 2 simply an oversight and that was not the intended action to 3

4 CHAIRMAN MADIGAN: Lester would have used 5 treachery but he couldn't spell it.

ALAN WILHELMY: In any event I did want to respond also to a comment that was made this afternoon that suggests that there is a bias against exotic species.

And the comment was made that the ecosystem restoration work group should be working to control these types of exotic species, and I think that the term control is not the appropriate term to be using.

I think that maybe the approach should be to balance, because I think that's what all of the people on the Committee, all of the people in this room here today are doing in devoting their time and efforts to this program, is to reach a balance of the various concerns.

And I'd also just like to point out that the striped bass is, in fact, a good indicator of the health of the Delta, and I can tell you that if you can catch a striped bass, you certainly don't want to eat it because it's full of mercury and selenium and other chemicals, and I think that's a far cry from a concern about controlling exotic species that might be coming in on bilge water from ships into the Bay and Delta. So if those thoughts can be

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kept in mind as we move forward and select three to five alternatives from the ten. I think that that would be in the spirit of the cooperation of balance of this committee.

Thank you.

CHAIRMAN MADIGAN: Thank you, sir. I appreciate it. Is there anybody else? If not, the next meeting of this organization is July 19th.

If there's nothing else for the good of the order, we are out of here.

(Whereupon the BDAC Meeting recessed at 4:02 p.m.) ---oOo---

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